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Editorial

Post Demonetization, there are many changes that have been created in the economy. A vibrant virtual currency culture is being evolved. However, it had created more downfalls to many sectors of the economy also. These are all challenges before an economy which is poised for a great leap. Manufacturing has been on the decline and services are growing which eventually will create more jobs. It is always difficult to reach the potential of the two giants in economy- China and USA. However, India through its efficient platform for R&D and patenting system can give more competition to the top two.

The articles in this edition are focused on the emerging areas of demonetization, services sector, marketing, finance including banking etc.. Each of the article is well researched, thought provoking and provides immense contribution to the body of knowledge. These articles will provide new directions in the field of research. The contemporary research areas like demonetization, e-governance, employee engagement etc., have been dealt in detail. I am sure you will find the journal worth in terms of academic and research outputs and I expect suggestions for improving the standards of this journal.

Thanking you

Dr.K.S.Chandrasekar
Chief Editor

AUTHOR GUIDELINES AND ETHICAL CONSIDERATIONS

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RELATIONSHIP BETWEEN INDIVIDUAL SPIRIT AT WORK AND ITS IMPACT
ON ORGANISATIONAL COMMITMENT, INDIVIDUAL PRODUCTIVITY
AND IN-ROLE PERFORMANCE

Dr. D.Jaichitra, Assistant Professor, School of Management Studies, VELS University, Chennai
Dr. P.T. Srinivasan, Professor and Head (Retd.), Department of Management Studies, University
of Madras, Chennai

Abstract

Individual spirit at work is a distinct construct, and it is being nurtured as a potential avenue exhibiting a particular human experience at workplace. Spirit at work is about individuals and organizations seeing their occupation as a spiritual lane, as a prospect to develop and to contribute to humanity in a meaningful way. Although the subjective investigation of spirit at work makes it rich, participatory and meaningful, it is also important to integrate the different ways of exploring spirit at work. This current study aims to examine the relationship between the dimensions of spirit at work and work outcomes namely, individual productivity and in - role performance. Data was collected from 551 employees of Service sector to test the study hypotheses. Multiple Regression Analyses revealed that individual's spirit at work, individual productivity and in-role performance contributed significantly to their commitment at work. It was also found that organisational commitment mediated the relationship between individual spirit at work, individual productivity and in-role performance. This research is significant as it highlights the dynamics of the relationship between spirit at work, organisational commitment and work outcomes.

Keywords: *Individual spirit at work, organisational commitment, individual productivity and in-role performance.*

Introduction

Spirit at work has recently emerged as a significant aspect of organizations and hence it is a significant topic of inquiry. Spirituality is the state of cherished link with the inner self of high values and recognizing the truth of inner nature of the employees. The concept of spirit at work can be explained as an experience of interconnectedness and it is driven by an inner power. Many organisations are cheering up the progression of this new drift as a humanistic work setting will lead to a win-win situation mutually for the employees and the organisation.

To obtain an important perceptive of the employee's behaviour at work, employees ought to be studied from physical, emotional and spiritual dimensions. The physical and psychological components of individuals at work have been studied widely; the spiritual dimension has not been considered for years together. Spirituality in the Workplace has emerged as the strongest predictor to cope up with the symptoms caused by work overload and stress and facilitate one to succeed in achieving the targets (Jaichitra & Srinivasan, 2017). The encouragement of workplace spirituality is also deemed as a response to the greed emerged in the 1980s, and an expression of reflections of corporations (Jurkiewicz and Giacalone, 2004).

Spirit at Work

A person's spirit is the vital principle or animating force conventionally believed to be the indefinable, life affirming force in self and all human beings (Anderson, 2001). The word 'Spirit' derives from the Latin words 'spirare', to breathe and 'spiritus', the breath. Without breath, we might not be alive. Therefore 'Spirit' has something to try and do with the energy or force that offers everyone the reward of life. Hence, spirit at work is a means for celebrating the self behaviour of the employees that enables the organization to differ (Jaichitra, 2017). Hence it has been identified that there is paucity of studies between spirit at work and other dimensions. Thus the present study concentrates on spirit at work and its relationship with less researched variables namely individual productivity and in-role performance as shown in figure. 1.

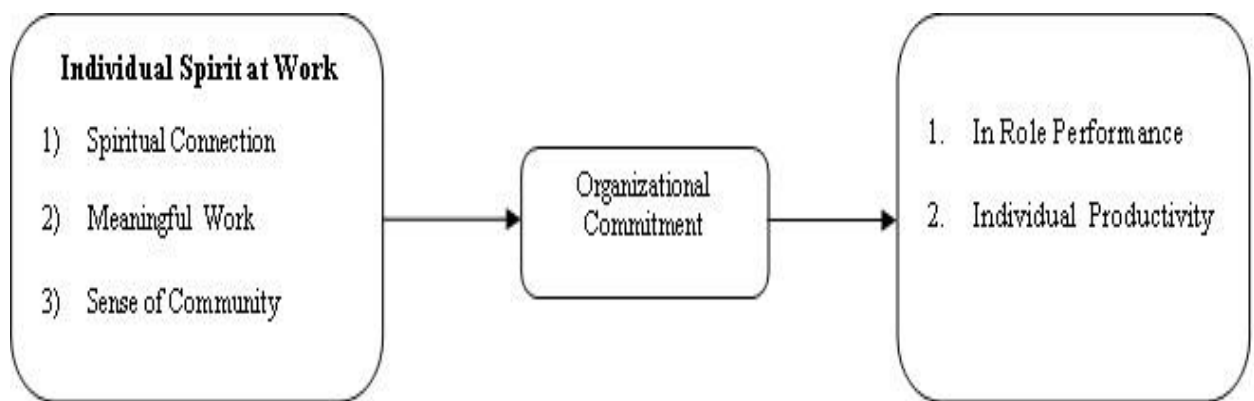


Figure 1. Proposed conceptual model

Spirit at work

The spirit at work scale was originally formulated by Kinjerski & Skrypnek, (2006) which had four factors namely i) engaging work ii) mystical experience iii) spiritual connection and iv) sense of community. This research study draws on the dimensions of individual spirit at work as identified by Tevichapong (2012) and figure 1. depicts all the three components. Tevichapong (2012) used the spirit at work scale in his study and adopted it for UK and Thai samples. He reduced the four factor model to three factors, namely i) meaningful work (combination of engaging work and mystical experience) - this is the fundamental feature of individual spirit at work and involves the cognitive abilities of an individual. ii) spiritual connection - this component of spiritual connection believes that they are inspired by some higher power at work. and iii) sense of community- this dimension reflects the interpersonal characteristics of an individual and it deals with a sense of connection with others.

Organisational Commitment

In the management discourse, commitment is a central variable, given that more engaged employees are liable to dedicate higher efforts to work. Commitment resorts to the employee's emotive correspondence, identification with, and involvement within the work environment (Mat Desa & Koh Pin 2011).

Individual productivity

The employee will be perceived as someone who contributes to the bottom line. As an employee looks for new ways to improve things, the employee will be seen as highly valuable member of the community. If an individual can increase the value of what he does while controlling the needed resources his individual productivity goes up. Hence the outcome of a spiritual person with higher commitment will perpetually result in higher levels of productivity.

In-role performance

In-role behaviours are categorized as how individuals carry out their prescribed job capabilities. It can lead individuals to experience themselves at a deeper level from their heart and thereby enhance their creativity and ability to perform well and hence it can affect employee performance. Organ (1988) designed the concept of in-role behaviour. It is the behaviour that is desired or expected from the employees of the organization.

Based on the above discussions, the following hypotheses were formulated.

H1: The dimensions of one's individual spirit at work will have a significant positive effect on organisational commitment.

H2: Organisational commitment will be able to explain the variance in work outcomes of the individual.

H.2.1: Organisational commitment will have a significant positive effect on in-role performance of the individual.

H.2.2: Organisational commitment will have a significant positive effect on individual productivity of the individual.

H3: Organisational Commitment will mediate the relationship between the spirit at work dimensions, and work outcomes of the individual.

H.3.1.1: Organisational commitment will mediate the relationship between spiritual connection and in-role performance.

H.3.1.2: Organisational commitment will mediate the relationship between meaningful work and in-role performance.

H.3.1.3: Organisational commitment will mediate the relationship between sense of community and in-role performance.

H.3.2.1: Organisational commitment will mediate the relationship between spiritual connection and individual productivity.

H.3.2.2: Organisational commitment will mediate the relationship between meaningful work and individual productivity.

H.3.2.3: Organisational commitment will mediate the relationship between sense of community and individual productivity.

Research Method

To empirically examine the exploratory relationship of spirit at work, organisational commitment and the outcomes in figure.1 data were collected from four service sector organisations. A total of 625 questionnaires were distributed to all employees in Chennai and Bangalore. Valid responses were from 551 individuals .the researcher personally approached each organization, briefed them about the research study and sought their willingness to participate in the study. Convenience sampling was adopted as the method of sampling.

Measures

Each of the variables in this study was measured using structured and validated tools. The measures are listed below.

Table 1- Reliability and intercorrelations among the variables and their reliabilities

Variables	No of Items	Cronbach Alpha	Mean	Standard Deviation	-1	-2	-3	-4	-5	-6
1.Spiritual Connection	3	0.78	3.56	0.777	0.78					
2.Meaningful Work	6	0.79	3.76	0.714	.098*	0.8				
3. Sense of Community	3	0.74	3.75	0.819	.168**	.096*	0.75			
4.Organisational Commitment	6	0.89	4.13	0.651	.141**	.199**	.180**	0.89		
5. In Role Performance	4	0.73	4.35	0.462	.126**	0.03	0.074	.199**	0.72	
6 Individual Productivity	4	0.75	3.83	0.791	.093*	0.021	0.008	.108*	.127**	0.75

Italized numerals along the diagonal are the CR for the variables
 ** p< .01, * p< .05

Regression Analysis

Hierarchical regression was used to evaluate the relationship between a set of independent variables (predictors) and the dependent variable, controlling for or taking into account the impact of a different set of independent variables (control variables) on the dependent variable. The regression carried on is a two step procedure where the control variable was entered in the first block, and the main variables were entered in the second block. To control the effect of size and nature of companies, organization was entered as a control variable in our analysis.

The results are listed in Table 3.It lists out, unstandardized beta coefficients, associated standard error, 95% bootstrap confidence intervals generated for these estimates, standardized beta coefficients and t value.

Effect of Spirit at Work on Organisational Commitment

The spirit at work dimensions namely spiritual connection, meaningful work, sense of community was regressed on the work attitude variables namely organisational commitment.

Table 2 Results of Hierarchical Regression Analysis: SAW – Organisational commitment

Variables	B	SE	B	T	Confidence Interval		R ²	ΔR ²	F
					Lower	Upper			
Step1 Organization	0.06	0.03	0.10	2.38*	0.01	0.11	0.08	0.07	5.66 *
Step2 Organization	0.05	0.03	0.08	1.87	0.00	0.09			
Spiritual Connection	0.09	0.04	0.10	2.46 *	0.01	0.17			
Meaningful Work	0.15	0.04	0.17	4.01***	0.06	0.25			
Sense of Community	0.11	0.03	0.14	3.38***	0.03	0.20			

Note. *** p < .001 , ** p < .01, * p < .05 , n=551, 1000 bootstrap samples, SAW-Spirit at Work

It can be inferred from the table 3, that the effect on organisational commitment by each of the spirit at work dimensions namely, spiritual connection (B = .09, β =.10, CI = .01, .17, P < .05), meaningful work (B =.15, β = .17, CI = .06, .25, p < .001), sense of community (B =.11, β =.14, CI =.03, .20, p < .01) is significant. The dimensions caused a variance of 7 % and the estimates were positive indicating the spirit at work dimension has positive influence on organisational commitment. Hence hypothesis H.1. is supported.

Effect of organisational commitment on Work Outcomes

The effect of organisational commitment on work outcomes are represented in the table 3.

Table 3. Results of Hierarchical Regression Analysis: Organisational - Work related Outcomes.

Variables	B	SE	β	T	Confidence Interval		R ²	ΔR ²	F
					Low er	Upp er			
In-role performance									
Step1 Organization	.07	.02	.17	4.15 ***	.04	.12	.11	.08	17.21 ***
Step2 Organization	.08	.02	.19	4.52 ***	.04	.12			
Organisational Commitment	.11	.03	.15	3.63** *	.04	.17			
Individual productivity									
Step1 Organization	.01	.03	.01	.20	-.04	.06	.05	.05	10.17 **
Step2 Organization	.02	.03	.02	.57	-.04	.07			
Organisational Commitment	.09	.05	.08	1.8 *	.02	.21			

Note. *** p < .001 , ** p < .01, * p < .05 , n=551, 1000 bootstrap samples, SAW-Spirit at Work

The values of organisational commitment ($B = .11, \beta = .15, CI = .04, .17, P < .001$), is significant on in - role performance. The dimensions caused a variance of 8 % and the estimates were positive indicating the work attitudes had positive influence on in-role performance. Hence hypothesis H.2.1 is supported. The values of organisational commitment ($B = .09, \beta = .08, CI = .02, .21, p < .05$) and the confidence intervals includes a zero, hence the effect cannot be considered as significant with respect to individual productivity. Hence, Hypothesis H2.2. is not supported. Thus, the work attitudes had a significant impact only on in-role performance.

Mediation Analysis

. The hypotheses were tested employing Preacher and Hayes (bootstrapping) procedure for testing mediating effects. The computations were performed utilizing SPSS based PROCESS Macro by Hayes (2012). In addition to the results from the bootstrapping procedure to test the indirect effects, Preacher and Hayes Macro also provides analysis of descriptive statistics and the results from two alternative protocols for testing mediating effects.viz Baron and Kenny’s(1986 multiple regression procedure and Sobel’s test. Moreover, the Preacher & Hayes protocol avoids validity threats arising from the assumptions of normality distribution and measurement errors associated with Baron and Kenny’s multiple regression procedure and Sobel’s test (Preacher & Hayes, 2008).Here in this study organisational commitment is employed as a mediating variable between the dimensions of spirit at work and work related outcomes.

Organisational Commitment as a Mediator between SAW and Work Related Outcomes

Organisational commitment was considered as a mediator between spirit at work and work related outcomes as shown in table 4.

Table 4. **Organisational Commitment as a Mediator between Spirit at Work and Work Related Outcomes.**

X	M	Y	Effect of X on M (a path)	Effect of M on Y controlling X (b path)	Total effect X on Y (c path)	Direct Effect X on Y controlling M (c' path)	Indirect Effect (B)	SE	LL	UL
1	2	3	4	5	6	7	8	9	10	11
SPC	OC	INR	.12**	.11**	.07**	.06**	0.01**	0.01	0	0.03
MW	OC	INR	.17**	.13**	0.01	-0.02	0.02**	0.01	0.01	0.05
SOC	OC	INR	.13**	.12**	0.04	0.02	0.02**	0.01	0.02	0.04
SPC	OC	IP	.12**	.12**	.09*	0.08	0.01**	0.01	0	0.04
MW	OC	IP	.17**	.13*	0.02	0	0.02**	0.01	0.01	0.06
SOC	OC	IP	.14**	.13**	0.01	-0.01	0.02**	0.01	0	0.05

Note: ** $p < .01$, * $p < .05$, X - Independent Variable, Y-Dependent Variable, M-Mediator, SPC-spiritual connection, MW-meaningful work, SOC-sense of community, OC-organisational

commitment, VIT-vitality, LS-life satisfaction, INR- In-role performance, OBSE-organisation based self esteem, IP-individual productivity , ns – Not Significant

The spirit at work dimensions spiritual connection (SPC) ($B = .12, p < .01$), had a significant effect on mediator (a path) and OC on in-role performance were also significant ($B = .11, p < .01$). When OC is controlled then effect of SPC becomes smaller (c path $B = .07, p < .05$; to c' path to $B = .06, p < .01$) thereby making c' path significant. Moreover the indirect effect is significant and confidence levels (LL and UL) doesn't include a zero and since both the values c and c' are significant in addition to a, b paths this indicates partial mediation of the variable SPC on INR. Hence hypothesis H.3.1.1 is supported. Meaningful work (MW) dimension ($B = .17, p < .01, a$ path; $B = .13, p < .01, b$ path) were significant and when OC is controlled then effect of MW to INR becomes smaller (c path $B = .05, ns$; to c' path $B = -.02, ns$) thereby making c' path less. Moreover the indirect effect is significant and confidence level doesn't include a zero. Hence full mediation exists and hypothesis H.3.1.2 is supported. Sense of community (SOC) dimension ($B = .13, p < .01, a$ path; $B = .12, p < .01, b$ path) were significant and when OC is controlled then effect of SOC to INR becomes smaller (c path $B = .04, ns$; to c' path $B = .02, ns$) thereby making c' path less. Moreover the indirect effect is significant and confidence level doesn't include a zero. Hence full mediation exists and hypothesis H.3.1.3. is supported.

The spirit at work dimensions spiritual connection (SPC) ($B = .12, p < .01$), had a significant effect on mediator (a path, $B = .12, p < .01$) and OC on individual productivity (IP) were also significant ($B = .12, p < .01$). When OC is controlled then effect of SPC becomes smaller (c path $B = .09, p < .05$; to c' path $B = .08, ns$) thereby making c' path insignificant. Moreover the indirect effect is significant and the confidence levels doesn't include a zero and since both the values c is significant in addition to a, b paths this indicates full mediation of the variable SPC on IP. Hence hypothesis H.3.2.1. is supported. Meaningful work (MW) dimension ($B = .17, p < .01, a$ path; $B = .13, p < .01, b$ path) were significant and when OC is controlled then effect of MW on IP becomes smaller (c path $B = .02, ns$; to c' path $B = .01, ns$) thereby making c' path less. The indirect effect is significant and moreover the confidence level doesn't include a zero. Hence full mediation exists and hypothesis H.3.2.2. is supported. Sense of community (SOC) dimension ($B = .14, p < .01, a$ path; $B = .13, p < .01, b$ path) were significant and when OC is controlled then effect of SOC to IP becomes smaller (c path $B = .01, ns$; to c' path $B = -.01, ns$) thereby making c' path less. Moreover the indirect effects were significant and confidence levels don't include a zero. Hence full mediation exists and hypothesis H.3.2.3. is supported.

Discussion

The literature shows there is a gap in the lack of empirical evidence and theoretical constructs directly supporting the relationship between the concepts of spirit at work, organisational commitment and work outcomes. This study attempts to close this gap identified in the literature of business and management research.

The dimensions of spirit at work namely spiritual connection, meaningful work, and sense of community were found to be significantly and positively related to organisational commitment of the employees. The results in this research are congruent with other studies of spirituality in the workplace (Jurkiewicz and Giacalone, 2004; Kolodinsky, Giacalone and Jurkiewicz, 2008; Nazir and Malik, 2013) suggesting that when individuals find meaning in

their work activities and feel involved in a spiritual organisational climate, they become more contented and healthy employees are engaged in a collaborative manner, to apply the full potential at work and bring their entire selves to the organization. Organisational commitment was found to be significant and had a positive impact on in-role performance. The attitudinal variable organisational commitment fully mediated the relationship between the dimensions of spirit at work (meaningful work, and sense of community) and in-role performance whereas spiritual connection partially mediated with in-role performance.

The attitudinal variable organisational commitment fully mediated the relationship between the dimensions of spirit at work (spiritual connection, meaningful work, and sense of community) and individual productivity. These results support the findings of Rego et al. (2007) where he established a partial meditational relationship between Portuguese and Brazil samples. The studies conducted by Campbell & Yen (2014); Fry (2003) also support this view that spirituality at work had a positive relationship with organisational commitment. Thus committed employees exhibit higher productivity levels.

This research study makes a significant contribution as it provides useful pointer to that research on SAW needs to take cognisance of and bestow attention on the dimensions of SAW rather than merely treat it as a single construct

Conclusion

Spirit at work comprehensively embodies the quest for finding one's ultimate goal in working life, in order to set up a strong link between an individual and his associates for the benefits for both the individual and the organization. Thus, this paper provides an avenue for the specification and empirical examination of concrete propositions linking spirit at work, organisational commitment, in - role performance and individual productivity. The findings in this study present multiple avenues for further research and to sum up, it is believed that the time is ripe for a more fine - grained look at specific belief and practice within spirit at work research.

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MANAGING STATE LEVEL PUBLIC SECTOR ENTERPRISES (SLPSE) IN KERALA

Priya .R,Assistant Professor,S D College, Alappuzha

Dr Nataraja S Iyer,Principal,S D College,Alappuzha

ABSTRACT

The significance of public sector enterprises was very evident during global financial crisis. The existence of Indian economy was not in disaster mainly due to existence of public sectors which played a pivotal role in emerging economies in their industrial and commercial activities. Limited number of private sectors due to resource constraints in post-independence period was the driven force for the authorities' to start with public enterprises. The main objective of the public sector enterprises is for wealth maximisation. The Public sectors initiated by Central or State Government are of national and international trade importance and economy growth to ensure that overall benefits from public sectors are spread to all sectors. Rapid development and infrastructure construction are the justification behind setting up of public sector enterprises. As a number of public sector enterprises are formed by taking over sick units protection of employees was also given priority. Whatever may be the idea behind the creation of such enterprises, they come into existence either by direct state investment or through nationalisation of private enterprises. The state intervenes through SOEs in the countries where investment needs for different projects are large and the expected returns at least in the short run are too low to motivate private capital to invest. Kerala holds the credit for maximum number of PSU. The Enterprises Resource Committee (ERC) Report stated that the PSUs had become a huge liability for the State Government and such undertakings should be immediately closed down or privatised. The study is an attempt to understand the status of public sector enterprises in Kerala

Key words: Public sector enterprises, Wealth maximisation. Enterprise Resource Committee.(ERC)

INTRODUCTION

A company in which 51 per cent of paid up capital is held by Government(s), Government companies and corporations controlled by the government is treated as if it were being a Government company (deemed to be Government company) as per Sec 619 of companies Act ,1956.

Public sector corporations in various fields are established by Government of India with a view to achieve the national objective by activating Industrial Policy Resolutions through Five year plans and economic programmes announced time to time. These corporations are functioning with a view of achieving the economic goals of the country. Public sector in its diverse forms involved in all activities in all sector of economy including industry, agriculture, urban infrastructure and public utility services like health, education, water supply and sanitation, transport and communication. Public sector Undertakings gives momentum to the growth of Indian economy to bridge the gap between rich and poor, to optimise the usage of natural resources, as well as to cover the regional inequalities. The absenteeism of the private sector in the areas of low profit margin also had driven the setup of government enterprises. The entry of Government enterprises in all business activities boost the private players to move ahead for a direct competition. To survey competitions the public sectors have to strive for the globalisation

augment with efficiency and strategically measures in management and administration levels. On a comparison with the private players it was evident that many of the government sectors are not performing as efficiently as those in private sectors. Many of the PSUs are already in deep red financial crisis. The loss in public sectors is really a loss for the state as due to heavy deployment of the fund in the development. Thus the loss making units reminds the need to evaluate the performance of such units time to time to safe our valuable resources. Also these sectors are very sensitive parts as they are bread for a large number of beneficiaries.

PUBLIC SECTOR IN KERALA

Kerala has a unique position with largest network of PSUs in nine sectors of power, finance, manufacturing (working, non-working), infrastructure, agriculture and allied, services. As on 31 March 2015, the State of Kerala had 111 working PSUs (107 working companies and 4 statutory corporations) and 15 non-working PSUs (including five under liquidation), which employed 1.28 lakh employees. The working PSUs registered a turnover of `19194.06 crores as per their latest finalised accounts. This turnover was equal to 4.25 per cent of State GDP indicating the important role played by State PSUs in the economy. The working PSUs had accumulated loss of `198.94 crore as per their latest finalised accounts. The percentage of turnover to state GDP was 5.36 (2008-2009). As on 31 March 2015, the total investment (capital and long term loans) in 126 PSUs was `19933.20 crores as against 13,897 crores in March 2014 , with the major investment in the thrust area of power. Apart from this financial stake GOK also extends the aid to public sectors by equity capital outgo from budget, loans given from budget, subsidy/grants given, loans converted into equity, loans granted, interest/penal interest writing off –all high marks a huge financial burden for the government.

Analysis of the latest finalised accounts of all working PSUs in the State for ending 2015:

No of profit making PSUs	50	498.47(cr)
No of loss making PSU	53	889.89(cr)
No profit/No loss	5	
Not finalised the accountd	5	

The major contributors to profit were :

- A) Kerala State Electricity Board (`140.42 crore),
- B) Kerala State Beverages(Manufacturing and Marketing) Corporation Limited (`123.54 crore),
- C) The Kerala State Financial Enterprises Limited (`69.90 crore) and
- D) Kerala State Industrial Development Corporation Limited (`30.49 crore).

The major PSUs which incurred loss are :

- A) Kerala State Road Transport Corporation (`508.22 crore),
- B) The Kerala State Cashew Development Corporation Limited (`127.95 crore) and
- C) The Kerala State Civil Supplies Corporation Limited (`89.11 crore).

The other key parameters are :

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
Return on Capital Employed (per cent)	8.32	6.75	5.87	4.1	5.28
Debt (₹ in crore)	3533.36	4306.05	5620.44	8391.62	8912.96
Turnover (₹ in crore)	14579.38	16171.31	18486.21	17586.85	19194.06
Debt/Turnover Ratio	0.24:1	0.27:1	0.30:1	0.48:1	0.46:1
Interest Payments (₹ in crore)	737.47	985.89	1185.61	1039.87	1508.11
Accumulated profit/loss(-)(₹ in crore)	-77.28	214.3	289.81	-284.62	-198.94

Source: CAG AUDIT REPORT 2016

The overall performance of the public sector enterprises are not satisfied with a decrease in ROCE, Increase in Debt, Increase in interest payments and accumulate loss results.

Three companies Keltron component, The Travancore Cement Ltd, The Travancore Sugars and Chemicals Ltd were listed in the stock exchange.

All the Government companies are required to finalise their financial statements by six months from the end of relevant financial year. To ensure the utilisation of capital investment Public Sector Restructuring and Internal Audit Board in Kerala analyse the half year performance of the Government companies. The half year results of Government companies for the half year ended financial year 2015-2016 reveals a sharp decline in the performance of State level Public sector enterprises.⁴¹ Government companies are in loss with an aggregate of Rs 59 crores. Kerala Minerals and Metals and Malabar cements ltd are major profit generators.

RESURGENCE OF PUBLIC SECTOR

The public sectors are often blamed for their poor finance performance ratios. The main reason for the poor performance can be lack of accountability. The main objective not being the profit maximisation the mission of the company are diverted to social objective, equitable distribution of resources and wealth and addressing the needs of priority sectors. Some of the suggestions put forward for the turnaround of public sectors are:

D) Redefining the role of financial manager/financial advisor

Financial manager of the company should be given the power to take decision as well as his agreement should be ensured in all the capital decisions. Responsibility accounting along with redefined structure in organisation makes the role of financial manager crucial.

An important role of the financial adviser is crucial for strategic financial planning technique while dealing with conflicting objective with an effective mode to boost the flow of funds and to create adequate provisions to meet contingencies. This requires a well-designed financial information system, clear strategic financial objectives with regular coordination of Government's regulatory policies.

II) Capital decisions

The major losses of the public sectors heavily affect the Government as being the major stake holders. The capital structure should have an optimum blend with equity and debt. The gestation period of the project, risk associated, technology involved should be analysed. To ensure profitability appropriate pricing decisions are important. The managers should be given the freedom of pricing with suitable pricing strategies.

III) Working Capital Management

Over piling of inventory is a curse in almost all the public sector enterprises. Effective material management of stock with effective management information system and strict monitoring can be taken against the investment in inventories as well as their theft/misuse.

IV) Audit

The financial statements of the companies for every financial year are required to be finalised within six months from the end of the relevant financial year i.e. by September end in accordance with the provisions of Section 96 (1) of the Act. Failure to do so may attract penal provisions under Section 99 of the Act. Similarly, in case of statutory corporations, their accounts are required to be finalised, audited and presented to the Legislature as per the provisions of their respective Acts. Every company should make it a strict policy finalises their accounts before the stipulated time. Audit committee should be accountable for the noncompliance with the audit procedures.

V) Annual Report

The audit reports of the Government Companies needs to be prepared like those of private companies. Every aspect that demands disclosure, even if off balance sheet should not be omitted. All the statutory disclosures should be ensures with relevant annexures. Moreover the annual reports should be available to all stake holders.

VI) Governance

Corporate governance includes policies and procedures adopted by a corporate entity in achieving its objectives with relation to its stakeholders, both internal and external. Execution of governance will ensure the participation of executive directors, independent directors working to achieve the objectives of management by regulating committees to ensure accountability and framing policies to regulate a system.

FINDINGS

The SLPSE are in the shadow of generating loss. Much of the performance ratios are not appreciated. The loss is contributed by penalties paid for the non-payment of income tax, It was seen that 11 companies have not yet submitted the accounts for audit. The financial burden is hold by the Government. Privatisation is also not recommended as these industries provide immense employment opportunities.

CONCLUSION

Resurgence of State Level Public Sector Enterprises is the remedy for the protections of financial stake of Government. A good financial information system and implementation of Corporate Governance with Companies Act 2013 will bring transparency, disclosures and hence compels the accountability for all investment and strategies adopted optimising the fund flow which ensures profitability and hence reducing the burden of Government for stake. SLPSEs being the backbone for the economic development need to be preserved. Identifying the bridge gap in economy expand the scope of opening additional enterprises. Azim (2012) observed that different governance elements have varying impact on corporate performance and profitability

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SUSTAINABLE PRODUCT DEVELOPMENT AND VALUE CREATION IN A TOURIST DESTINATION

Ajeesh V, Research scholar, Institute of Management in Kerala, University of Kerala
Dr.K.S.Chandrasekar, Professor and Head, Institute of Management in Kerala, University of Kerala

Abstract:

India is an emerging destination in the world travel and tourism geography due to its range of tourism products like historic and religious monuments, hill stations, serene beaches, and the social and cultural diversities. The consolidation of different tourist destinations and facilities under a Destination Management Organization (DMO) will lead to an increase in the tourist arrivals and overall development of the destinations. New ideas and innovative methods leads to better products to satisfy the changing needs of customers are being done in every industry in the form of New Product Development. Tourism product refers to the total satisfaction, which consists of both physical and psychological, offered to the tourists in the destination. The tourism authorities and agencies should adopt a long term tourism product development strategy in order to satisfy all the stakeholders including the visitors as well as the local communities. Sustainable development practices and strategies should be economically feasible and viable, socially unbiased and culturally sensitive and they should be environmentally responsible. In recent years, tourism, as a service industry, became one of the main sectors which contributed considerably in employment generation and Gross Domestic Product of the country. This paper deals with the importance of sustainable development practices and strategies which should be economically feasible and viable, socially unbiased and culturally sensitive and they should be environmentally responsible.

Keywords: Sustainable Development, Tourist Destination, Community Participation, Environmental Protection

Introduction

India is an emerging destination in the world travel and tourism geography due to its range of tourism products like historic and religious monuments, hill stations, serene beaches, and the social and cultural diversities. In recent years, tourism, as a service industry, became one of the main sectors which contributed considerably in employment generation and Gross Domestic Product of the country. But the percentage of increase in the number of tourists is less than the tourist arrivals in countries like Thailand and Singapore and Malaysia though our country is larger than its counterparts in size and population. Despite many positive and unique factors and features, the tourist arrival has not been increased due to the failure in many aspects relating to destination development and marketing. The absence of proper promotion and marketing of capable tourist destinations and the lack of infrastructure facilities and transportation arrangements are some of the reasons of poor rate of increase in the number of tourist arrivals in the country. Though the prime aim of travel is leisure, the intention of different tourist will be different according to his perceptions and needs. So in order to satisfy different kind of tourists from different parts of the world, the destinations should be equipped with an array of tourism products with unique and diversified features. The consolidation of different tourist destinations and facilities under a Destination Management Organization (DMO) will lead to an increase in

the tourist arrivals and overall development of the destinations. A positive change in the tourism industry will result in an increase in the number of employment opportunities, infrastructure development, increase in the standard of living of the local community etc.

According to Philip Kotler, “A product is anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or need”. New ideas and innovative methods leads to better products to satisfy the changing needs of customers are being done in every industry in the form of New Product Development. New product development helps an entrepreneurship to retain or reach the market leadership. New product development management is an important strategy in a business firm as it has direct relationship with the productivity and profitability of that firm. The new product development in various industries can be categorised as Additions to the existing product lines, improvement or revisions in existing products, new product lines, cost reductions, repositioning etc. The main stages of a new product development consists of Strategy Development, Idea Generation Screening and evaluation, Business Analysis, Development, Testing and finally the Commercialisation of developed product (BAH model, 1982). New product development for any company is crucial because the growth of a company is depending up on the successful introduction of new products in the market. The term new product can be in two different dimensions, ie, new to the company and new to customers. At the time of new product development, the company should take the marketing factors, financial factors, technical factors, organizational and environmental factors in to consideration.

Tourism product refers to the total satisfaction, which consists of both physical and psychological, offered to the tourists in the destination. In other words a tourism product can be a number of elements come under as a package in order to satisfy the needs and wants of travellers. A tourism product can be defined as “the sum of physical and psychological satisfaction it provides to tourists during their travelling en route to destination”. It is a combination of tangible and intangible products and services which is a mix of Attractions, Accessibility, Amenities and Accommodation. Attractions are the most important and the basic component of a tourism product which is the motivation point behind a travel decision. Accessibility in other words refers to the means to reach the destination which attract the travellers. The attractions of a destination will be meaningless unless there is enough transport facilities to access the location. Accommodations are also having an important role the tourist destination which determined the satisfaction level of tourists to a great extent.

The tourism authorities and agencies should adopt a long term tourism product development strategy in order to satisfy all the stakeholders including the visitors as well as the local communities. Tourism product development is a tool for satisfying the changing requirements of the travellers and visitors and it is important also in the context of tourism as a means of long term profit for the industry. The tourism product is produced using the natural and cultural product of a destination. In case of tourism, production process is the realisation of facilitating the travel towards and their activity in a tourist destination. Sustainable development practices and strategies should be economically feasible and viable, socially unbiased and culturally sensitive and they should be environmentally responsible.

Tourism resources and products available for utilisation at the destination are limited and non renewable. The biggest problem that has been faced by the tourism coordinators is how to

increase the percentage of tourism arrivals and receipts without harming the environment and culture of a destination. So, the implementation of policies and plans in a destination should consider the ecology, climate and the environment of a destination and the interests of the community as well. In order to ensure the conservation of environment, the application of sustainable tourism policies and practices are necessary while taking decisions regarding the development of tourism products in any destination especially with environmentally sensitive regions.

Review of Literature

Sustainable and responsible treatment of the environmental factors and sensitive areas of destination should be the responsibility of the Destination Managers and other stakeholders and it is a subject of concern to the authorities with high priority. Stephen L. J. Smith (1994) argued in his paper that tourism like any other industry is characterised by products and production process. He described the product as a result of five elements; physical plant, service, hospitality, freedom of choice and involvement. He also stated that tourism products are the concerned as the perception of experience of travellers which is the final output of tourism production process. He referred tourism product development as a tool to satisfying the changing requirements of the travellers and visitors and it is important also in the context of tourism as a means of long term profit for the industry. According to him, tourism product is produced using the natural and cultural product of a destination. In case of tourism, production process is the realisation of facilitating the travel towards and their activity in a tourist destination. He concludes by saying that like other products, tourism products and production processes are also real though they are unconventional.

K. R. Pillai, Rozita Carlo and Rachel D'souza (2010) in their work attempted to study the opportunities and impact of new product development in the tourism sector. They also analysed the financial feasibility, social acceptability and environmental sustainability of developing new tourism products in the market. They tried to develop a unique tourism product model to attract both local and foreign tourists. They also pointed out a number of critical success factors like political and economic stability, direct control by the Government authorities, accessibility towards the destination, ie, the availability of different kinds of transport means and the promotion of those destinations. They also stated the need for a SWOT analysis of developing such a tourism product in the market.

Jordi Datzira Masip (2006) in his paper perceived tourism management as the value creation in a destination which affects the local community and the environment. He argued for a sustainable tourism development in a destination by maintaining a balance between the cultural aspects, environmental elements and the economic outcome. According to him, the value creation process is the result of careful product development and promoting those products to the prospective consumers. He suggested a sustainable tourism policy with the support of development, planning and marketing. He also pointed out the need for Destination management Organization in order to coordinate the activities of public and private tourism players and various other stake holders. He also suggested the value creation in a destination through identification of the target customers and developing specific products for the target groups.

Chee-Hua Chin, May-Chiun Lo, Abang Azlan Mohamad and Vikneswaran Nair (2017) in their work, pointed out that the tourism industry makes the environment, social, cultural and economic aspects a matter of concern for the local communities and stakeholders in a destination. They found environmental awareness becomes one of the main reasons of sustainable tourism development and practices in a tourism destination especially in a rural area. They stated that preserving the quality and natural resources of the environment is the requirement of both the tourists as well as the local communities for satisfying them.

The concept of environmental protection in Tourism

The tourism industry makes the environment, social, cultural and economic aspects a matter of concern for the local communities and stakeholders in a destination. Due to the engagement of local communities and Government authorities in tourism planning and activities, environment is the main reason for sustainable tourism practices. The issue before Destination managers and other stake holders is how to gain from the natural resources and tourism attractions without affecting the natural environment of a destination. There are positive and negative impacts of tourism on the environment. It positively affects the environment by promoting investment from various sources including public and private sector which can also be used for the conservation of natural resources in a tourist domain. It also contributed towards the stability of the ecosystem and discourages deforestation. It also makes awareness through its sustainable and responsible tourism practices among the communities and other tourism business providers. At the same time tourism adversely affects the environment by polluting the natural resources like air, water and environment and it also affects the wild life and natural water resources of a destination.

Tourism Product Development

Destination development is the process of making a destination competitive in attracting both tourists and investors towards the destination. It is the combination of activities such as tourism product development in the destination, training and development to human resource in the locality and attracting investment from inside and outside the destination. Product development in a tourist destination helps to increase the return on investment on tourism industry by increasing the number of attractions and activities offered to the travellers. The product development in a tourism destination consists of several phases. The first phase describes the activities and attraction for which the destination is suitable for. In this phase, the product assessment and market assessment will be done and the products will be finalised according to the demand and suitability of those products in the market. The second phase is all about determining the needs and opportunities in tourist place and comparing the possibilities of the destination with other destinations to identify the most needed and suitable products. In this phase, the destination managers need to decide what should be done in order to make the products offered in the market. The third and final phase of a tourism product development strategy is developing the action plan. Plans should be formulated and the resources needed for implementing the action plan should be determined and the sources of those resources should be identified in this stge.

Steps in Tourism Product Development

1. Research the Market to find out the opportunities
2. Match the tourism product with target market

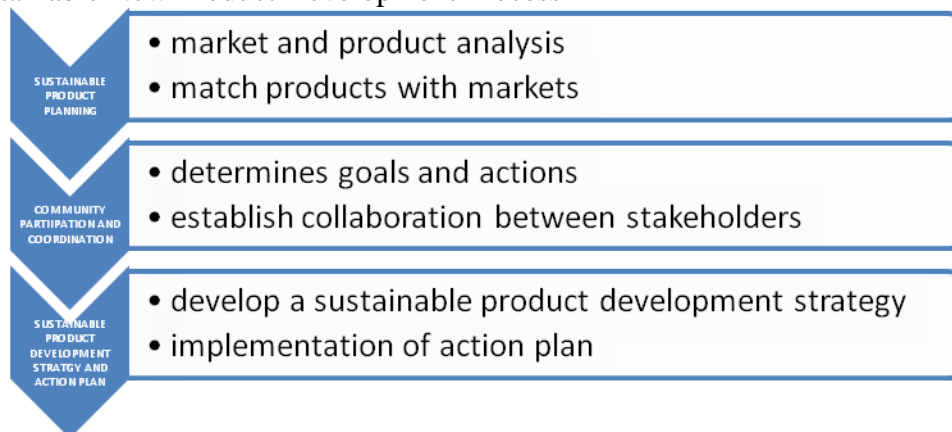
3. Assessment of the prospective destination
4. Assignment of roles to stake holders
5. Product building
6. Branding and marketing of the destination and products

The significance of sustainable product development in tourism

Tourism as a tool for sustainable development and conservation of resources, it can contribute towards the benefit of the local people and poverty eradication. The policies and principles related with tourism should ensure the local community participation in every aspect of tourism product development and its allied services. Tourism is one of the most important sources of income for almost all the countries in the world. Developing countries choose tourism as the major sector for development and investment as it is a feasible way towards accumulating foreign income. The main problem faced by the Destination managers and other Government authorities is how to retain the income which has been generated from tourism products and serviced for a long term to make it available for both the visitors and local community without negatively affecting its environment.

Sustainable tourism products are products which are economically, socially, culturally and environmentally sustainable which are developed with the help of local community participation. Sustainable tourism development is the process of applying the sustainability principles and practices while developing the tourism product in a tourist destination.

Sustainable New Product Development Process



The compliance with sustainability principles and practices while developing a new product in the tourism industry is the responsibility of the Destination Management Organisations (DMOs) and the Government authorities in order to ensure the long term viability and feasibility of the resources and products. The new product development should be economically feasible in order to ensure a fair return on investment for the stake holders. The socio-cultural sustainability also should be ensured in the destination and the local customs and culture should be marketed and protected. The environmental issues also should be considered at the time of implementing the policies and plans of the authorities and the natural environment should be well protected

with the help of various stakeholders for the satisfaction of both the visitors and the local communities.

Managerial Implications

Capital investment and infrastructure development in the field of tourism sector is unavoidable for the development of an economy which will attract more domestic as well as international visitors to the destination. Providing the most desirable environment and services to the tourists will not be successful unless the local community extend their participation and cooperation in tourism developments and activities. Ensuring the participation of the local self government, Destination Management Organizations, tourist service providers and other tourism stakeholders in the destination helps in achieving sustainable and long term development of tourism products and services in the sector to attract more customers without affecting the environment and community. The sustainable and responsible development of tourist services can also make sure that the climate and culture of the destination and the country is respected and protected.

Conclusion

The tourism product development strategy should be based on sustainable development practices and procedures for serving the interests of all kinds of stakeholders in the tourism industry. Community participation in tourism planning and implementation ensures effective waste management, infrastructure development, adequate resources and security to the tourist inside the destination. The engagement of all stakeholders including the local population ensures addressing of the strengths and weaknesses of a destination. It also helps in bringing together the visitors and local people in maintaining the customs and cultural attractions, environmental stability and ecological diversity. As a means to reduce poverty and with its relationship between environmental aspects and climate change, sustainable tourism product development strategies and practices can be a guiding element for a Destination Management Organization and Government authorities while implementing the tourism policies.

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CHANGING WORK PLACE AND EMERGING HR COMPETENCIES

Dr.Feroz Ikbal, Assistant Professor,School of Health systems studies,Tata Institute of Social Sciences,Mumbai- 400 088

Abstract:

The concept of work place has rapidly changed and will drastically change in the coming decades . The change in the nature of workplace will require the employees to acquire new competencies, which they could get from their educational institutions. Organisations will have to become truly “ learning organisation” to meet this challenge.Dealing with the new generation “ knowledge worker” will be an exceptional challenge to the organisations to remain in the business.

Key words - Work place, competencies,learning organisation, knowledge worker

Introduction

Jacob Morgan (2014) discusses key trends that are driving the new future of work . These are

1. New behaviour – Social media and the web has created new habits and behaviour in the new generation employees and this has changed the organisational culture . Flexible timing , working from the home , and flat organisational structure have modified the behaviour of the employees.
2. Technologies- Technology is re-defining the work place and the *modus operandi* of the work. Big data, the cloud, the internet of things, robots, automation, video, collaboration platforms, and other technologies are changing the way we work and live.
3. Millennials in the work place - By 2020 millennials are expected to make up around 50% of the workforce, by 2025 this number is projected to be 75%. The important thing about millennials isn't the fact that they might bring new approaches, ideas, values, or styles of working; it's that there are going to be so many of them.
4. Mobility : Employees will be highly mobile because of connectivity and probably due to new technology of Hyperloop transportation technology . Also internet technology will give the mobility of data across the globe .
5. Globalisation – Though there is resistance across the world against globalisation and plea for protectionism , globalisation will continue to impact the workplace and play a major role in the way the organisations work.

Organisations will be forced to be lean , competitive and focussed on both internal and external customer. The internal customer or the employees will be of great

Lean organisation

One of the model for the future organisation can be taken from Toyota Production systems . The future organisation needs to be a lean enterprise which has following characteristics.

1. Define value from the customer's perspective – Many times organisations fail to understand the value which the customer gives to a product or service. Value is the ratio of quality to cost of a product or a service.
2. Identify internal activities and processes that add value for the customer and identify linkages between them (the "value chain")- The internal activities of the organisation takes place through the employees . Identifying the core activities and the events associated with activities is important.
3. Eliminate non-value added activities (or "waste") across the organization- organisations particularly service organisations needs to look at their processes and conduct value engineering or value stream mapping and needs to eliminate non value added activities.
4. Reduce waste and inefficiencies in support (e.g., overhead) functions- This can done by applying the 5S management principles of Japanese management practices . 5S is a simple tool for organizing your workplace in a clean, efficient and safe manner to enhance your productivity, visual management and to ensure the introduction of standardized working.

Work place design

design of work place is important in enhancing the productivity of the employees. workplace design defines the body language of an organisation. There are various ideas that will help create the perfect setting for fostering collaboration among the workforce. Work place design is very important for white collar employees as well knowledge workers (gold collar employees)

a. Open office

The open office concept is not new, but in recent times, it has been enjoying great patronage across industries and organisations. It's much preferred, because it promotes collaboration within an organisation. It disrupts the little alcoves. The identical design fosters a free flow of communication amongst the employees and breaks the sense of hierarchical superiority within a company.

b. Flexible workspaces

Offices need to focus on two major concepts — that of being 'space-centric' and 'people-centric'. The millennials and the upcoming Generation Z prefer to work in an organisation that is designed to reduce stress. Companies today have to structure their offices to support the well-being of its occupants.

Though the open office concept is ideal to build a modern workspace, it can also offer distractions such as a high level noise and invasion of privacy. This can be tackled by creating small enclosed spaces with sound-proofing that will help increase concentration, ensure privacy or provide a ready free space for meetings or phone calls.

c. Breakout zone

Today, young employees focus more on work-life integration. Keeping one's employees' stress-free and happy should be one of the primary aims of an organisation. To meet this objective, it has to create a Breakout Zone, a space where employees can catch up with their acquaintances while playing games or relaxing on a stressful day at work.

Breakout zones also encourage impromptu conversations that will help build strong bonds among employees. Add sofas, lounge chairs and arm chairs that will provide comfort and give an opportunity to people to hang out more informally.

d.Smart furniture

Opt for smart furniture that are crafted keeping in mind the long hours spent at work. Though offices today are shifting the needle from the regular 9to5 aspect in design and culture, the average amount of time an employee spends at work is still relatively high. Modular furniture is of multipurpose nature and created using ergonomics. This will contribute to employees' health and also play a key role in boosting the organisation's productivity. Furniture should also be designed in such a way as to motivate the young workforce. Pick up those vibrant lounge chairs that are trendy and add a slice of life to your space.

e.Natural elements

Introduce elements such as green walls, indoor water curtains and light ducts. Keep indoor plants and use biophilic designs. Focus on a design that will capture natural lighting. "green building" will be the concept which future workspace will have to develop.

f.United by technology

Play with your space with the aid of technology. Technology runs an organisation. Invest in shared displays and tables with built-in touch screens, and this will make the office cutting edge and improve collaboration.

The future of work

Thomas w malone (2004) discusses the evolutionary path of societies from independent farmers to modern day decentralized organizations. The primary message presented throughout the work is that as communication costs fall, the value of information communication is increasing, enabling organizations to favor more decentralized organizational structures such as loose hierarchies, democracies and free markets within organizations. According to Malone these basic structures are the foundations for creating successful organizations as technologies and societies continue to evolve.

Based on 20 years of groundbreaking research, The Future of Work foresees a workplace revolution that will dramatically change organizational structures and the roles employees play in them. Technological and economic forces make "command and control" management increasingly less useful. In its place will be a more flexible "coordinate and cultivate" approach that will spawn new types of decentralized organizations.

Malone introduces the concept called co-ordinate and cultivate for the future organisations. Coordinate here means to organize the work that needs to be done and clearly defining the relationships between tasks. In other words, workers need to know what they should be doing, how their work affects other groups in the organization, and what their role is in the company as a whole. These are basic managerial objectives. Cultivate means understanding what workers want, helping them realize what they are good at, and cultivating a cooperative relationship between groups.

Harnessing people's tendencies - People are more likely to produce good work when they understand how they benefit from the work they are asked to do. Similar to coordination objectives.

Let a thousand flowers bloom: Can be interpreted as brainstorming. People who have decision-making power select best ideas. Is best accomplished with incentives for workers, either tangible or intangible.

Cross-fertilization - establish an infrastructure to enable the exchange of information and ideas.

Improvise – unexpected problems will occur so be ready to react and take advantage of a possible new opportunity.

Of these principles, cross-fertilization is the key idea for establishing knowledge management initiatives. New methods of communication, e.g., email and instant messaging, allow for more efficient means of information exchange and at much lower costs than older methods, e.g., face to face meetings, memos, etc. Modern technologies provide organizations the capability to create knowledge/experience databases where workers can look for information to help them in their projects or connect them to people who might be able to offer advice and guidance. These technologies include blogs, groupware, recommender systems, and various other knowledge management systems.

What Malone offers in this book is a presentation of existing successful decentralized organizational structures and how they are likely to be successful in the future. Changing technologies and attitudes will force traditional centralized structures to adapt and be more flexible in order to survive into the future.

New technologies that define work place

Mckinsey global institute (2017) in its report on “technology, jobs and future of work” says Automation, digital platforms, and other innovations are changing the fundamental nature of work. Understanding these shifts can help policy makers, business leaders, and workers move forward. The development of automation enabled by technologies including robotics and artificial intelligence brings the promise of higher productivity (and with productivity, economic growth), increased efficiencies, safety, and convenience. But these technologies also raise difficult questions about the broader impact of automation on jobs, skills, wages, and the nature of work itself. Many activities that workers carry out today have the potential to be automated. At the same time, job-matching sites such as LinkedIn and Monster are changing and expanding the way individuals look for work and companies identify and recruit talent.

Artificial intelligence and robotics: Within the next few years, every industry and every business will be fundamentally re-imagined and re-wired with artificial intelligence (AI). At the heart of AI is a machine-learning algorithm that teaches itself to recognize patterns and discover hidden insights in data. These learning algorithms, however, need to be fed with an uninterrupted supply of data for the magic to happen.

Internet of things : Internet of things (IoT) is a dynamic global network infrastructure with self-configuring capabilities based on standard and interoperable communication protocols where physical and virtual 'Things' have identities, physical attributes, and virtual personalities and use intelligent interfaces, and are seamlessly integrated into the information network (van Kranenburg V, 2007)..

Machine-learning : **Machine learning** is the subfield of computer science that, gives "computers the ability to learn without being explicitly programmed." (Arthur samuel, 1959) dan wellers et.al (2017) discusses 8 ways in which machine learning is improving the work processes .Machine learning is enabling companies to expand their top-line growth and optimize processes while improving employee engagement and increasing customer satisfaction.

Machine learning enables a company to reimagine end-to-end business processes with digital

intelligence. The potential is enormous. That's why software vendors are investing heavily in adding AI to their existing applications and in creating net-new solutions.

But there are barriers to overcome. The most important is the availability of large quantities of high-quality data that can be used to train algorithms. In many organizations, the data isn't in one place or in a useable format, or it contains biases that will lead to bad decisions. Another problem is prioritization; with so many opportunities, it can be hard to know where to start.

Lastly, don't underestimate the cultural barriers. Many employees worry about the consequences of all of this technology on their roles. For most, it will be an opportunity to reduce tedious tasks and do more, but it's vital that employees have incentives to ensure the success of new machine learning initiatives. You'll also have to think carefully about customers. AI can augment the power to get insights from customer data —perhaps beyond the point where customers are comfortable. Organizations must take privacy seriously, and relying on computers for important decisions requires careful governance.

AI's continued rise is inevitable, at the same time, organizations need to be thoughtful about how they apply AI to their organizations, with a full understanding of the advantages and disadvantages inherent in the technology.

Human resource competencies for future work place

It's very clear that future work place will be quite different. But the most pertinent question is are we preparing our work force to meet the requirements for the challenges which the future workplace is offering. A lot of existing jobs are sure to die, and several of the existing jobs may require new set of competencies. An individual may have to shift to multiple jobs, during his career.

Alvin Toffler (1991) says the illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn. The most important competencies which the future workplace demands are ability to be a continuous learner, to unlearn the skills which are no longer required and relearn the newer methods and knowledge of new frontier areas.

Learning is a continuous process from cradle to grave. It widens the mental horizons, changes the perceptions and expands your overall intellectual base. According to Stephen R Covey (2008), one of the seven habits of highly effective people is learning, that too, continuous learning. Continuous learning is an exercise to mind as physical exercise is to a person's body. To be successful in life, it is necessary to focus on physical, intellectual and spiritual learning.

Continuous learning keeps you updated with latest developments. It changes your mindset with the changing times. It sheds some of your old inhibitions, hesitations and habits.

Unlearning is a process by which people try to change their habits, beliefs and the way of doing a current work. Unlearning is important particularly with the fast changing technology. The knowledge and skills about the fading technology may act as a hindrance in learning and adapting to the new environment.

Relearning can be more accurately termed as refocused learning. It's finding newer perspectives about the existing skills and re-enforcing the existing knowledge. A laparoscopic surgeon needs to relearn to do a Robotic assisted surgery.

Every organisation needs to be a “learning organisation”. Peter Senge (1990), who popularized learning organizations in his book *The Fifth Discipline*, described them as places “where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning how to learn together.”

Drucker (1999) discusses about the competencies required for a knowledge worker. Knowledge worker should be able to do the work by himself and he need not be supervised. Perhaps he will have more knowledge than the supervisor in his domain area. Working independently, within the larger frame work of organisation becomes one of the core competency of future work force. In most knowledge work, quality is not a minimum and a restraint. Quality is the essence of the output. Optimum quality or highest quality or perfection is expected from the knowledge worker.

Lifelong learning is the only way to survive in the age of automation (The economist, 2017). Learning to learn will be the most important competency required in the new work place. A focus on “metacognition” will make people better in learning new skills in their later life.

Taleb (2012) discusses about the uncertainty and volatility of the external world to unprecedented levels that “expect the unexpected”. The only way forward is to build organisations that can survive and thrive amidst disorder: organisations that are agile and adaptable, able to cope with disruption and emerge stronger than before. The term “antifragility,” coined by Nassim Nicholas Taleb is important for future organisation and its workforce.

Antifragile is beyond stable, beyond robust; stable and robust systems resist shocks. Antifragile systems as those capable of absorbing shocks and being changed by them in positive ways to become stable systems. Antifragile systems break a little all the time but evolve as a result, becoming less prone to catastrophic failure and adapt and evolve in response to stress and changes to their environment. Knowledge worker needs to develop and antifragile career.

Conclusion

Today we have reached the stage of fourth industrial revolution. Billions of people and countless machines are connected to each other. Through groundbreaking technology, unprecedented processing power and speed, and massive storage capacity, data is being collected and harnessed like never before. The change brought by the Fourth Industrial Revolution is inevitable, not optional. Today's employees can be better in their jobs with the technology of today—and the technology that is yet to come—rather than fearing that their human skills will be devalued.

Even the creators of artificial chess-playing machines acknowledge that the best chess player is actually a team of both human and machine. The world will always need human brilliance, human ingenuity and human skills. Across the industries, there will be synergy of power of data and power of people, which will define the competencies at the work place.

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ENTREPRENEURIAL BEHAVIOUR ANALYSIS AMONG MICRO ENTERPRISES

R. Banila, Assistant Professor, Department of Master of Business Administration,
Jerusalem College of Engineering, Chennai-600 117

ABSTRACT: The micro industries are facing with various challenges in the business environment. Various factors have their own impact on the venture performance. These factors can be categorised as the individual dependent factors and the environment dependent factors. The individual is the entrepreneur and the individual dependent factors are the traits, competencies, and motivation level of the entrepreneurs. The entrepreneurial behaviour is constructed by these traits, competencies, and motivation level of the entrepreneurs. This study analyses the entrepreneurial behaviour and the findings reveal that there is significant influence of entrepreneurial behaviour on the growth of the enterprises.

Key words: *Entrepreneurial orientation, Performance of industries, Motivation*

1.0. Introduction

Industrialisation helps in providing enormous opportunities of employment and play an important role in enhancing the economic status. Among the total industries, the micro industrial sector find many opportunities to increase production and to look forward for new markets at national and world level. They emerge as a highly spirited and active sector of the Indian economy, because it not only plays a crucial role in providing large employment, but also helps in the industrialisation of rural and backward areas. Tamil Nadu has been in the frontline of industrialisation among the Indian states and has excellent performance in textiles, engineering, and automobile production. Thoothukudi district is one of the major districts which contribute more for the economic upliftment of Tamil Nadu. In this study, the entrepreneurial behaviour of micro industries in Thoothukudi district is analysed.

The process of starting and running ventures which have great importance in the economic development is called entrepreneurship and the person who is endeavouring the venture is called an entrepreneur. According to Timmon, "entrepreneurship involves the ability to build a "founding team" with complementary skills and talents". Venture's environment, firm specific factors and entrepreneurs are the important factors which affect the firm's growth. The entrepreneur's characteristics and managerial competencies play the role in the success of a venture. Many researchers have attempted to study the role of entrepreneurs in the venture growth.

The personal characteristics and the managerial competencies of an entrepreneur play essential role in the success of a venture. This entrepreneurial behaviour is a composite behaviour of different dimensions namely achievement motivation, innovativeness, risk-taking propensity, competitive aggressiveness, proactiveness, autonomy and managerial competency. In every organisation the entrepreneurial behaviour plays the important role in its path of success. It is well known that achievement motivation, risk taking, innovativeness and pro-activeness are the very essential characteristics need to be possessed by an entrepreneur in starting and running the business.

Lumpkin and Dess, (1996) revealed that entrepreneurial orientation is built up with five dimensions namely proactiveness, risk taking, autonomy, competitive aggressiveness and innovativeness.

1. Proactiveness:

It is the behaviour of taking initiative in any action and keep track on the new opportunities. (Lumpkin and Dess, 1996). The pro-active entrepreneur always anticipate future opportunities in every related items of business, whether it is product or technology and in terms of market and consumer demand.

2. Risk taking:

Risk-taking and entrepreneurship cannot be separated. It refers to the risk taken by the entrepreneur when he makes decisions that commit large amounts of resources to projects with uncertain outcomes.

3. Innovativeness: Innovativeness is introducing new products or services to the market.

4. Competitive aggressiveness: It refers to the company's way of engaging with its competitors.

5. Autonomy: It refers to the independent action of an individual or a team in bringing forth an idea or goal and implementing the steps to reach it.

Thus entrepreneurial behaviour refers to a firm's strategic orientation capturing specific entrepreneurial aspects of achievement motivation, innovativeness, risk-taking, proactiveness, competitive aggressiveness, autonomy and managerial competency. The business performance can be measured at two levels, objective and subjective measures respectively. The objective measure included sales and profit, return on investment, growth of the firm in financial terms. The subjective measure concerns with the survival of business for the first three years from start up. In this study the researcher evaluated the performance of the firms by subjective measures.

2.0 Objectives of the study

The objectives of this study are as follows:

1. To study the entrepreneurial behaviour among the micro industry entrepreneurs.

2. To study the performance level of micro industries.

3. To find the influence of entrepreneurial behaviour on the performance of micro industries.

3.0 Hypotheses

The hypotheses of this study are as follows:

1. There is association between the achievement motivation of the entrepreneur and the venture performance level.

2. There is association between the pro-activeness of the entrepreneur and the venture performance level.

3. There is association between the risk-taking propensity of the entrepreneurs and the venture performance level.

4. There is association between the competitive aggressiveness of the entrepreneur and the venture performance level.

5. There is association between the autonomy of the entrepreneur and the venture performance level.

6. There is association between the managerial competency of the entrepreneur and the venture performance level.

4.0 Research Methodology

In this study, the descriptive research design is used. The study area is Thoothukudi District in Tamil Nadu. Using stratified random sampling technique, 353 sample entrepreneurs are selected from five different categories of micro level industries. They are salt industries, brick industries, readymade garments industries, safety match industries and engineering works industries. The interview schedule method is used to collect the primary data. The secondary data are collected from reports of District Industries Centre of Thoothukudi, MSME report- 2014-

15, research theses and journals. The collected data are analysed using Percentage analysis, Correlation and Regressin methods and Confirmatory Factor Analysis with SEM model.

5.0 Review of Literature

Entrepreneurial behaviour play an important role in the performance of industries and has become a main area of investigation for the researchers. It is related with the strategic orientation of a firm and has often been conceptualized as the extent to which a firm showcases innovativeness, demonstrates proactiveness, prefers risk taking, shows competitive aggressiveness and provides autonomy to its employees (Miller, 1983; Covinand Slevin, 1989; Lumpkin and Dess, 1996;)

Covin and Slevin (1989) claimed that an organization's entrepreneurial behaviour is the outline of the extent to which top managers are motivated to take business related risk, to favour change and innovation in order to obtain a competitive advantage for their firm, and to compete aggressively with other firms. They suggest that firm's with a propensity to engage in relatively high levels of risk taking, innovativeness, and proactiveness have entrepreneurial orientation

Wang (2008)reveals that a firm's management to assume risk, to demonstrate creative behaviour, and to showcase proactive and aggressive behaviour towards rivals will increase the productivity. According to Mintzberg (1973), entrepreneurial orientation is the reflection of strategic posture and is deeply related with strategy making process. Entrepreneurial orientation includes different aspects of firm's culture and value system .

Lumpkin and Dess, (1996) conceptualized entrepreneurial orientation as a process construct

which is concerned with the behaviour of managers. It not only reflects the methods, policies and processes adopted by the managers, but also manifests entrepreneurial behaviour. It is a multi faceted construct, which reflects how a business is to be organized. They have added the dimensions of autonomy and competitive aggressiveness under the conceptualization of entrepreneurial orientation. They consider entrepreneurial orientation as a multi dimensional construct, under the assumption that the contribution of each of the dimension of entrepreneurial orientation towards firm's performance is unique and contextual.

Miler and Eriesen (1982) stated that the firms which involves entrepreneurial orientation always innovateregularly , they take risk in their strategic operations. They identified that the resourcefulness of a firm concerning i.innovation, ii.risk taking, iii. pro-activeness as the essential dimensions of entrepreneurship. The resources can be tangible or intangible in natureand the entrepreneurial orientation is the intangible resource of a firm.It helps to improve the competency of a firm.

Burgelman (1983) , emphasized that a firm can become more entrepreneurial through the entrepreneurial orientation. Itcontributes to a fundamental understanding of entrepreneurship and its strong association with firm performance.

According to Merlo and Auh (2009) ,the person with achievement motivation independently overcome all obstacles and achieve the standards of excellence by using his/her talent successfully and increase selfsatisfaction. Achievement motivation is competence motivation which is related through the competitions between others and one's achievement standards. It is an urge to do something unique to make optimum use of the available resources.

Cornelia (1996), reveal that innovativeness in business organisation involves the culture of experimentation, creativity and novelty. It reflects the willingness of a firm to leave from existing practices and to adopt new ways of doing the things. Innovativeness entails the continuous efforts of an organization to explore new ideas with regard to technological processes, managerial systems and organizational procedures. It represents the willingness and ability of a firm to create a separate place for creativity, new ideas, and experiments.

Miller and Friesen, (1978) have considered proactiveness as a capacity of a firm to present new product or services to the market before their competitors and to shape the environment of a firm in its favour. It is a process of considering prospective outcome of an action, in advance. Covin and Covin (1990), view competitive aggressiveness as a propensity of a firm to dominate competitors by proactive and innovative measures; by starting the actions that competitors then respond to; by being the first to introduce new products; and by indicating an extremely competitive posture. It reveals the extent of firm's confidence towards competitive challenges and reflects those aspects of firm's strategic attitude which are directed towards 'beating competitors to the punch.

According to Burgelman (2001) , autonomy represents the organizational ability and tendency towards independence and self-direction in thought and action and the presence of a culture that encourages such behaviour among individuals or teams within the organization.

Chandler and Hanks (1993), revealed that the performance measure factors are Return on sales, (ROS) Return on assets (ROA), return on investment (ROI). Particularly ROA is the most useful and ultimate measure of business performance. A wide range of factors influence firm performance, these factors are classified in to three categories, they are firm specific factors, sector specific factors, economy-wide-specific factors. Firm Specific Factors include the size of the firm, capital accumulation, competition and age. Sector specific factors include business cycle and growth. Economy wide factors are unemployment rate, exchange rates.

Hofer and Sandberg, stated that, the dimensions of firm performance are efficiency, profitability, leverage and growth. Product quality and market share are organisational performance factors which are linked with financial performance.

6.0. Results and Discussion

6.1 Socio-Economic Profile

According to the socio-economic profile of the entrepreneurs, 98.3% of the respondents are male and only 1.7% of the respondents are female. 44.8% are in the age group of 41-50 years followed by 36.0% in the age group of 31-40 years, 11.3% in the age group of up to 30 years and 7.9% in the age group of above 50 years. Overall, 80.8% of the entrepreneurs come under the age group of 31-50 years. It is clear that there are less number of respondents in the age group of up to 30 years. Regarding the educational qualification, it is found that, 41.9% of the respondents' educational qualification is S.S.L.C followed by Higher Secondary (26.9%), and diploma and degree (5.7%). Among the total respondents, 89.5% of the respondents have more than five years of experience. The number of entrepreneurs who have below 5 years of experience is less. So it is inferred that the number of new entrepreneurs are less in these industries. Overall, 87% of the respondents are married and 13% of the respondents are unmarried. With regard to family type, it is found that 57.8% of the respondents are living in joint family. In the case of annual income, it is found that 38.1% of the respondents' annual income is Rs.10,00,001 to 15,00,000, 29.2% of

the respondents' annual income is Rs.5,00,001-10,00,000, 24.1% of the respondents' annual income is up to Rs.5,00,000 and 8.6% of the respondents' annual income is above Rs 15,00,000. Regarding the ownership form it is revealed that 52.1% of the entrepreneurs' business form is sole proprietorship and 47.9% of the entrepreneurs' business form is partnership. When considering sales turnover, it is found that 46.2% of the respondents' sales turnover is up to Rs 60,00,000, followed by Rs 60,00,000 to Rs80,00,000 (29.2%) and above Rs 80,00,000 (24.6%). In the analysis of participation in training programme, it is found that, 88.7% of the respondents have not attended any training programme. 11.3% of the respondents have attended entrepreneurship training programme. The less awareness level about the benefits of ED training and hesitation to participate in training are the reasons for non-participation in Entrepreneurship Development Programme training.

6.2 Results of correlation between Entrepreneurial orientation and Performance

Correlation coefficient between achievement motivation and the performance of industrial units is 0.700 which indicate 70.0% positive relationship between achievement motivation and the performance of industrial units and is significant at 1% level. The achievement motivation is positively correlated with the performance of the firm. It means that whenever the respondents' achievement motivation is increased, the performance of the firm will also be increased. Achievement motivation is constructed by the indicators such as "feeling of proud to achieve something", "perfect completion of work" and "level of success in the business" which are closely related with the good performance. So this test of hypothesis proved the concept that the achievement motivation of the entrepreneur has its effect on the performance of the industrial units.

The correlation co-efficient between innovativeness and the performance of industrial units is 0.705 which indicate 70.5% of positive relationship between innovativeness and the performance of industrial units and is significant at 1% level. It means that whenever there is increase in innovativeness, the performance of the industrial units will also be increased. Innovativeness is constructed by the indicators such as "initiative in introducing changes", and "introduction of new technology and new product lines". When the firms introduce new products or new technology, they can easily make entry in the market by defeating their competitors and can improve their sales which results in better performance of the firm.

The correlation coefficient between risk taking propensity and the performance of industrial units is 0.602 which indicate 60.2% positive relationship between risk taking propensity and the performance of industrial units and is significant at 1% level. Risk taking propensity is constructed by the indicators such as "handling high risk projects" and "handling un expected events". When there is risk, the outcome of taking risk will also be worth enough because when the entrepreneur introduce new ideas in his business obviously he is taking risk when the outcome is uncertain. But due to that risk his firm will get a benefit of improvement in sales. Thus risk taking is related with the performance of the firm. This concept is proved by the hypothesis test of relationship between risk-taking propensity and performance of the industrial units.

The correlation coefficient between competitive aggressiveness and the performance of industrial units is 0.708 which indicate 70.8% positive relationship between competitive aggressiveness and the performance of industrial units and is significant at 1% level. The firms

which use strategies to compete with the competitors, always have the high level achievement motivation. As achievement motivation influence the performance of the firm, competitive aggressiveness also has its effect on the performance of the firm. This is proved by the hypothesis test of significant relationship between competitive aggressiveness and performance of the industrial units.

The correlation coefficient between proactiveness and the performance of industrial units is 0.635 which indicate 63.5% positive relationship between proactiveness and the performance of industrial units and is significant at 1% level. As proactiveness is constructed by the variables such as “quickly recognise good opportunities for the development of the firm” and “frequently forecast the demand and customer preference” the presence of proactiveness will improve the firms performance. This assumption is proved by the testing of hypothesis which denote the relationship between proactiveness and performance of the industries.

The correlation coefficient between autonomy and the performance of industrial units is 0.712 which indicate 71.2% positive relationship between autonomy and the development of industrial units and is significant at 1% level. Autonomy is constructed by the indicators such as “fix goals based on inspiration”, “taking decisions independently” and “allow independence for workers”. With the aim of goal achievement the entrepreneur allows the independent decisions of workers team in their organisation. Hence it will help their firm to grow. Thus the autonomy of the entrepreneurs have impact on the performance of the firm and it is proved by this hypothesis test.

The correlation coefficient between managerial competency and the performance of industrial units is 0.687 which indicate 68.7% positive relationship between managerial competency and the performance of industrial units and is significant at 1% level. The managerial competency is constructed by the indicators of “leadership skill”, “decision making skill”. All these indicators will guide the workers in the organisation to keep reaching the goal and hence the performance will be good. Hence there is relationship between managerial competency and the performance.

6.3 Results of Multiple Regression analysis

Multiple correlation coefficient (0.828) measures the degree of relationship between the actual values and the predicted values of the performance of industrial units. Because the predicted values are obtained as a linear combination of achievement motivation (X_1), innovativeness (X_2), risk taking propensity (X_3), competitive aggressiveness (X_4), proactiveness (X_5), autonomy (X_6), and managerial competency (X_7), the coefficient value of 0.828 indicates that the relationship between performance of industrial units and the eight independent variables is quite strong and positive.

The Coefficient of Determination R^2 measures the goodness-of-fit of the estimated Sample Regression Plane (SRP) in terms of the proportion of the variation in the dependent variables explained by the trial sample regression equation. Thus, the value of R^2 (0.686) simply means that about 68.6% of the variation in the performance of industrial units is explained by the estimated SRP that uses achievement motivation, innovativeness, risk taking

propensity, competitive aggressiveness, proactiveness, autonomy, managerial competency as the independent variables and R square value is significant at 1 % level.

The multiple regression equation is

$$Y = 5.221 + 0.302X_1 + 0.329X_2 + 0.020X_3 + 0.122X_4 + 0.195X_5 + 0.218X_6 + 0.330X_7.$$

Here the coefficient of $X_1(0.302)$, $X_2(0.329)$, $X_3(0.020)$, $X_4(0.122)$, $X_5(0.195)$, $X_6(0.218)$, $X_7(0.330)$, represent the partial effect of achievement motivation, innovativeness risk taking propensity, competitive aggressiveness, proactiveness, autonomy, and managerial competency of the entrepreneurs on the performance of industries. The co-efficient values are significant at 1% level with respect to all the factors of entrepreneurial orientation.

6.4 Structural Equation Modeling (SEM): Model fit assessment

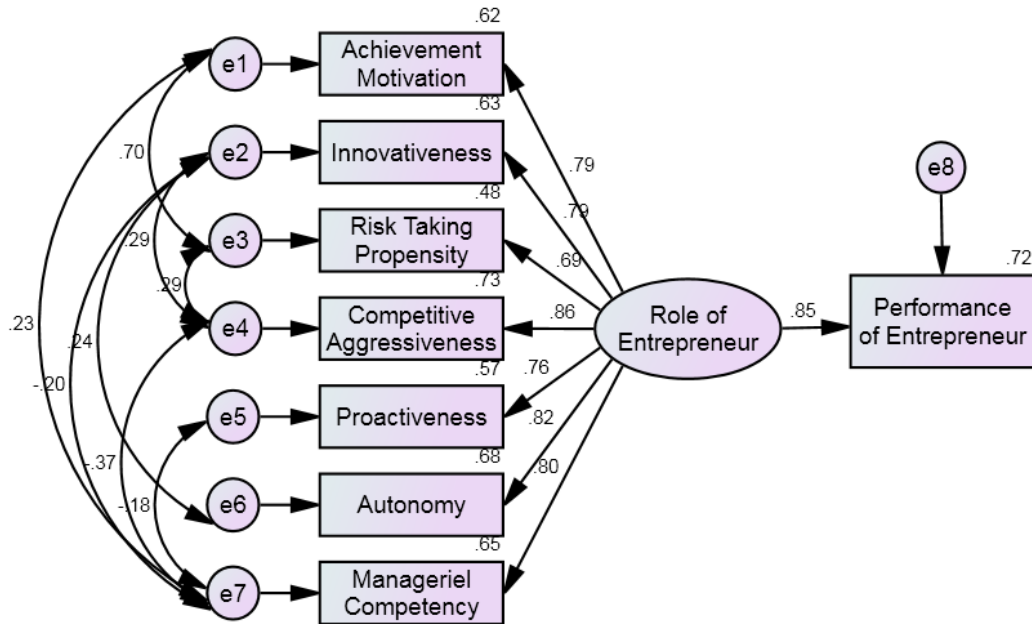
Structural Equation Modeling was used to analyze the suitability of the model based upon the collected samples. As recommended by Anderson and Gerbing (1988), measurement model to test the reliability and validity of the survey instrument was analyzed first, and by using AMOS version 16 the structural model was analyzed. The structural equation model (SEM) is most useful when assessing the causal relationship between variables as well as verifying the compatibility of the model used (Peter, 2011).

Null hypothesis (H0) : The hypothesized model has a good fit.

Alternate hypothesis (H1): The hypothesized model does not have a good fit.

The calculated “p” value is less than 0.01 and is significant with respect to all the factors of entrepreneurial orientation. The unstandardized co-efficient values of achievement motivation, innovativeness, risk taking propensity, competitive aggressiveness, proactiveness, autonomy and managerial competency reveal that they represent the entrepreneurial orientation. Table.5 shows that the calculated value of ‘P’ is 0.082 which is greater than 0.05. It represents that the model is fit. The goodness of Fit Index (GFI) value (0.989) and Adjusted Goodness of Fit Index (AGFI) value (0.928) is greater than 0.9 which represent that it is a good fit. The calculated Normed Fit Index (NFI) value (0.985) and Comparative Fit Index (CFI) value (0.989) indicate that it is a perfectly fit model. The Root Mean square Residuals (RMR) and Root Mean Square Error of Approximation (RMSEA) values are 0.061 and 0.077 respectively which are less than 0.08. This indicates that it is perfectly fit.

Figure-1. Structural Equation Model of Entrepreneurial Behaviour and the Performance of the Firm



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A STUDY ON BUSINESS ETHICS IN BANKING INDUSTRY
Dr. Simi S.V, Faculty, IMK, Kariavattom Campus, University of Kerala

Abstract:

Customers are becoming aware about various environmental issues and the hazardous effects of rapid industrialization, it is necessary for organizations to attain sustainable competitive advantage by creating eco-friendly products. Banks can project themselves as a socially and ethically oriented organization by disbursement of loans merely to those organizations, which has environmental concerns. However, this can decelerate the economic and industrial growth but human race cannot afford the fast pace of growth at the cost of environmental depletion. Banking and finance play a vital and crucial role in framing public policies in today's business environment. This article highlights basic ethical principles and the social and ethical issues in banking industry. Which help in achieving sustainable development of banking and finance. For this purpose, we have gone through a series of development that are taking place in current business scenario.

Key words: *Banking ethics, ethical principle, social issues and ethical banking*

INTRODUCTION

Banking industry is one of the oldest industries of the world. The first record of banking activity can be traced way back in 2000 BC in Assyria and Babylonia when merchants of ancient world made loans to farmers and traders that carried goods. Later in ancient Greece and during the Roman Empire lenders based in temples made loans but also accepted deposits and changing money. A Bank is one of the most common factor among human beings, societies, industries, and countries. We all are related to Banks directly or indirectly. There is direct role of banks in day-to-day activities of our life. As we know that a bank is a financial institution and whether it is a common person, private organization or government organization, all of them are dealing with banks. Therefore, the responsibility of banks increases and we need to understand the role of banks in the Global Economy of 21st century. Developments in information and communication technology allowed banks to dramatically increase in their size and geographic network. The recent financial crisis saw significant number of bank failures, including some of the world's largest banks and much debate took place around the world about bank regulation. Performing the investment and saving functions by playing the role of a unifier and mediator in the society between parties offering and demanding funds, banks, as a part of marketplace, mainly and naturally target the profitability and productivity principles, which requires them to operate in strict compliance with certain professional and organizational ethics principles. Departing from the objectives of growth of banking system, enhancement of banking service quality, best use of resources, creation of a fair and honest competitive environment among banks, and prevention of unfair competition, banks are required and expected to regulate their relations with each other and other organizations, and with their customers, shareholders and employees in accordance with these ethical principles.

In general approach, ethics is the study of morality, which examines the significance and objectives and establishes moral norms moral evaluation criteria. Key terms include ethical

morality, kindness, conscientiousness, evil, freedom, happiness, love and virtue. In banking ethics is a system of rules and standards of conduct for banking institution and its staff.

Banking ethics is a particular form of economic ethics, is the body of rules and moral norms covering the conduct of banking employees (business banking), both individually and collectively. Banking ethics rules, being highlighted as a separate class, have long evolved with the development of financial activities, which in time became banking. Many experts believe that the banking ethics is a form of professional ethics in the field of finance, which exists along with the universal principles of morality and is characterized by specific norms of human behavior in its specific activity. The banking ethics are two levels of manifestation:

- Corporate banking ethics, that is, a set of ethical standards of conduct of the bank as a legal entity;
- Bank etiquette - rules of conduct bank employee.

The bank as a financial institution customer oriented, occupied by permanent lifting quality of its products, whose business is based on massive deployment of information technologies. This inevitably leads to improving ethical banking standards. Modern banks are motivated to have ethical conduct based on the following considerations:

- Ethical behavior can become a competitive advantage that can help the bank to expand its customer base and increase revenue.
- Reputation and positive image of the bank also attract customers ethically aware.
- Banks well-known for ethical conduct may be able to attract and retain qualified and honest employees, optimizing human resources management and internal management and improving operational efficiency.
- Positive bank's reputation can facilitate effective and timely obtaining of additional capital.

As time passes, we realize and adopt the changes that are taking place around us. We keep on evaluating effects of changes on us. It is obvious that technology has changed and modified the life styles of human beings. In the process of industrialization, modernization and globalization, we are observing some global issues like global warming, environmental concerns, social and ethical issues. These issues and concerns do not emerge instantly rather it takes years of continuous and gradual change. It is said that every action ends up with some reaction. Therefore, the uninterrupted industrialization has been significantly threatening to our society, nature, and human life as well. It is again technology that has helped scientists to undrape the various bad effects of innovations. It is high time for us to enliven consciousness of our society about the blind industrialization and enhance quality of life.

In the above context, we need to identify a common factor that can be an independent entity. With the deployment changes in philosophical visions, social, economic and global financial metamorphoses, banking ethics has become one of the concepts addressed in the most diverse.

LITERATURE REVIEW

Chami & Fullenkamp (2002) argue that trustworthiness is crucial for the survival of any bank. The banks being intermediaries between the depositors and creditors are expected to have honesty, integrity, social responsibility, accountability and fairness in order to forestall failures. Banks must therefore be able to act in a way that merits public trust, confidence and a good reputation by infusing values such as honesty, trust, respect and fairness into the decision-

making process. It is expected that banks should base their behaviour on ethical criteria with the understanding that financial yield depends on the trend of the real economy and not on any kind of manipulation. Bozovic (2007) opines that ethics belong to philosophy because it studies human behaviour from a moral perspective. Most often the focus of ethics is community-centred and the morality of ethics is seen from the universal welfare of the community – hence McKinsey (2010) asserts that a company's ability to create value is a critical measure of performance when it takes the interests of all the stakeholders into consideration.

Cowton (2002) advances the three components of ethical banking as integrity (which generates trust), responsibility (lending appropriately and avoiding financial exclusion of any segment of the society) and finally, affinity (establishing closer relationships between depositors and borrowers). San-Jose and Retolaza (2008) identify some basic characteristics that differentiate ethical banking from traditional banking as the transparency and participation of savers in the decision about the investment of their savings and the location of funds in projects with an added social value. Weber and Remer (2011) described Social Banking as a way of value-driven banking that has a positive social and ecological impact at its heart, as well as its own economic sustainability. Most of the Social Banks came out of the crisis much stronger and bigger than they were before. In addition, none of the Social Banks had to be bailed out with public funds. This increasingly attracts the interest not only of clients searching for safe and sensible ways to deposit their funds but also of conventional banks that begin to understand the potential of a more socially oriented approach towards banking. It is a matter of awareness, which compels us to have some views from a different outlook. Bearing in mind the various functions of a bank and current scenario, now it is high time to understand the role of banks in 21st century.

Goyal and Joshi (2011) studied a sample of 19 bank mergers (post liberalization) based on number of branches and geographical penetration in the market. Apart from financial aspects, they observed some emerging issues like employees' perception, branch size, customer perception, communication, change management strategies, and human resource management. These issues can be settled when a bank implements certain social and ethical policies.

OBJECTIVES OF THE STUDY

1. To study the basic ethical principles in banking industry.
2. To study the social and ethical issues in banking industry.

METHODOLOGY

Data for the present study have been collected from secondary source. Secondary data were collected from sources such as journals / E-journals of reputed organizations in India and abroad, associated with banking industry, and also from newspaper files.

ROLE OF ETHICS IN BANKING

Ontologism based on the concept of good as opposed to evil helps us define the banking business from the point of view of ethics. The idea of awareness or conscience of the need for banking products or services inevitably comes to mind. This simplified parallel leads us to the conclusion that full awareness of and the related ethics about the importance of banking products and services is imminent to all economies, regardless of their economic development.

Basic principles of banking ethics are following

- *Principle of mutual trust* is of special importance for successful functioning of the business system. Important and valuable deals are very often contracted over the phone, in the absence of witnesses, while the relationship between the participants is dominated by the inviolable principle of mutual trust.
- *Principle of mutual benefit and interest* means that none of the partners in a business relationship should feel cheated;
- *Principle of good intentions* is very important for business ethics and moral behaviour. This principle means that there is no intention to treat the business partner in an immoral way, whether it refers to deception, theft or some other undesirable way of treating a business partner;
- *Principle of business compromise and business tolerance* refers to the harmonization of the conflicting interests of participants in the business process;
- *Principle of ethical improvement of business behaviour* represents the business partner's readiness to accept the mistake that has been made as a result of his own actions. He should admit the mistakes and respond in an appropriate way;
- *Principle of demonopolization of one's own position*, because monopolistic behavior on the market does not contain any ethical market value and
- *Principle of conflict between one's own interests* refers to the inability to relate common to personal interests, with simultaneous adherence to the same ethical values. The violation of ethical principles in banking occurs when the lenders take too much risk, trying to find a loophole that allows them to approve more loans. Strict adherence to the law and regulations in the field of banking makes it possible to grant loans to all the qualified clients in a fair way.

When it comes to general standards, the bank must take into account the following

- The bank must avoid a high concentration of loans in one industrial branch, sector or field, with the exception of specialized institutions that have this as their core activity;
- Clients who want to obtain a loan should maintain a certain amount of financial resources as a precondition for loan security;
- Loan approval refers to a strictly formal procedure in terms of purpose, source, price, terms and the method of payment;
- All loan applications must be accompanied by financial reports of the debtor for the previous year and
- Loans are granted with an amortization payment schedule.

Social and Ethical Issues in Banking Industry:

Empirical research since 1990 concluded that banks were not interested in their own environmental situation or that of their clients. We are witnessing certain changes and growing awareness in the field of financial sector like; environmental investment funds, loans, green banking, global banking, rural banking, agri-banking, social banking and ethical banking. The recent economic crisis caused millions of job losses. It will take years to get momentum back by major economies. As a result of this global crisis, social banking and social finance have become important trends among bank customers in US and Europe. The crisis transformed social banks from niche institutions to large, publicly visible players. This is due to the growing level of awareness among number of bank customers in Europe about social banking which is a less speculative, more responsible, ethical, and community-oriented. It is the modest way to deal with money than traditional banking.

Social Banking

In Social Banking, the focus is on satisfying existing needs in the real economy and the society; also taking into account their social, cultural, ecological, and economic sustainability. In the repercussion of the crisis, many people felt that social banking is more caring for the overall progress of society than traditional and mainstream banking. It is assumed that social banking may provide important lessons for the banking and financial sector to avoid further crises in the future. According to Institute for Social Banking, "Social Banking describes the provision of banking and financial services that consequently pursue, as their main objective, a positive contribution to the potential of all human beings to develop, today and in the future". Benedikter (2011) defines Social Banks as "banks with a conscience". They focus on investing in community, providing opportunities for the disadvantaged, and supporting social, environmental, and ethical agendas. Social banks try to invest their money only in endeavors that promote the greater good of society, instead of those, which generate private profit just for a few. He has also explained the main difference between mainstream banks and social banks that mainstream banks are in most cases focused solely on the principle of profit maximization whereas, social banking implements the triple principle of profit-people-planet. Social banks care about making a profit, but equally for promoting human and environmental well-being. It is this triple principle that they follow when they decide to whom to lend money, and for what purpose. It means that social banks consider social and economic "sustainability" when making financial decisions. "Sustainable" investments and lending practices are ones that produce a better quality of life for the greatest possible amount of people, and whose effects endure over time and continue to produce a multiplicity of positive effects long after the initial investment. Now-a-days, social banks are becoming cultural power as social banking includes the concepts of humane and humanist in financial activities.

Ethical Banking

The Cooperative Bank (UK) offers its customers home energy rating on purchases of consumer durables. The purpose is to enable them to better understand how energy efficient a property is and how to make improvements. Moreover, bank's mortgages include carbon-offset features. Every year that a customer holds a mortgage, the bank offsets a fifth of the carbon dioxide emissions arising from a typical household's energy consumption. Following customer consultation in 2003, offset money were used for reforestation in Uganda, a Bangladesh project that trains local people to build energy efficient stoves and a Bulgaria project supporting micro-hydro electricity generation.

Citizens Bank (Canada) allows its customers to choose between a variety of VISA cards that benefit Oxfam Canada, Amnesty International or their philanthropic Shared Interest program by donating \$0.10 to not-for-profit initiatives worldwide every time their VISA card is used. This enabled Citizens Bank to donate thousands of dollars to Doctors. These are only a few of the wide range of services available at different ethical banks.

Green Banking

There are some major concerns about environmental issues. Therefore, organization need to pay attention to their outputs whether they are violating environmental issues or not. Bank, it is believed that profit should not be earned at the expense of the world's most pressing environmental problems. That is why they finance organizations from organic food and farming

businesses and pioneering renewable energy enterprises, to recycling companies and nature conservation projects. Citizens Bank of Canada has lowered its interest rate on loans for carbon emission cars. These kinds of efforts will surely motivate other banks to promote green banking and consequently in long run environmental issues can be resolved.

Agri-Banking

Alston (2004) argued that international and national events like globalization, international policy manipulations such as the US farm bill, and national policy, are having a major impact on agricultural production in Australia. It is more likely that these issues are acting to continue and exacerbate a trend towards reduced viability for farm families evident in economic and social trends since at least the 1950s. It was further argued that social aspects of agricultural production in Australia noting social trends and drawing attention to the changing social relations of agriculture. It was concluded that there is dominance of farm families, the role of corporate agriculture, ethnic diversity, the importance of women, and the practice of farm transfers. Punjab National Bank's (PNB) Corporate Social Responsibility Report (2010) shows that agriculture and farmer's related initiatives are taken by PNB increased lending to agriculture, weaker sectors and women; which results in impacting their lives through income generation. Moreover, the report shows that the Bank has established two trusts viz., PNB Farmers Welfare Trust and PNB Centenary Rural Development Trust. These trusts are involved in running training centres which imparts training in farming and also other non-farm activities. PNB Farmers' Welfare Trust was established in the year 2000 for welfare of the farmers, women and youth in rural areas. Under the aegis of the Trust, 8 Farmers' Training Centres (FTCs) have been made operational at villages. Apart from this Mobile Van is being used at FTC Sacha Khara for providing off-site training on improved package & practices of agricultural crops & allied activities, soil testing and Jatropha cultivation. In addition, the van is acting as an information kiosk

Rural Banking

Ramachandran and Swaminathan (2002) examined the effect of financial sector reform on rural banking and rural credit transactions in India. They reviewed the trends in selected indicators of rural banking at the national level over the last 30 years. Moreover, they used longitudinal data for a village in Tamil Nadu to examine changes in patterns of indebtedness and credit transactions among landless labour households. They concluded that the exploitation of landless labour households in the credit market has intensified with the introduction of financial reforms and lastly, the policy was envisaged as an alternative to the formal credit sector in the countryside. Burgess and Pande (2005) evaluated the impact of a large state-led bank branch expansion program in India on rural poverty between 1977 and 1990. They used deviations and regression analysis and found that branch expansion into rural unbanked locations in India significantly reduced rural poverty.

Global Banking

Miller, S.R. and Parkhe, A. (2002) conducted empirical test of the liability of foreignness in the global banking industry, using Fitch-IBCA Bank Scope data for the period 1989-96 and their findings strongly support the liability of foreignness hypothesis. Further, the data showed some evidence that the X-efficiency of a foreign-owned bank is strongly influenced by the competitiveness of its home country and the host country in which it operates. Moreover, it was

found that in some environments U.S.-owned banks are more X-efficient than other foreign-owned banks in some environments, but less X-efficient in others. Mathur, N.D. (2009) has identified a visible trend that growing integration of economies and the markets around the world is making global banking a reality. The use of Internet banking has widened frontiers of Global Banking and it is now possible to market financial products and services on a global basis.

Like other industries, banking has become more global. Banking stands out, however, in its legal form and reliance on cross-border positions. Banks run special risks in lending abroad. McCauley, McGuire and Peter (2010) have shown that some banking systems are international in their organization while others are multinational, and that the multinational model can be operated with a greater or lesser degree of centralization. While much work remains to be done in assessing the performance of various banking models during the crisis, it does appear that local assets proved more stable under stress. Cross-border claims and liabilities proved less stable. These findings hold even if account is taken of the series break represented by US securities firms becoming reporting banks, exchange rate changes and distortions from mergers and acquisitions, some of which resulted from the crisis itself.

Other Issues

Banks, usually take help of various Information Technology (IT) based channels to provide their banking and other services. For this purpose, they are in need to provide continuous and frequent information about their services. We can use IT as a strong means to fulfill our objectives social and ethical banking.

The IT based banking services are as follows: Mobile Banking is a new and emerging concept. Large numbers of people are still not aware about usage of mobile banking. In this, one's mobile phone is used to conduct banking transactions.

- The popularity of Online Banking is significantly increasing day by day. It is a term used for performing various transactions, payments, and account statements etc. with the help of Internet.
- Relationship Managers, mostly for private banking or business banking, often visit customers at their homes or businesses.

Conclusion

Ethical banking on traditional conceptions of ethics is a set of common rules of behavior in a society, which is accused of breach of community members without administrative and criminal consequences. But after a long process of transformation, has acquired the status of internal bank regulations and / or legal relations governing the bank and its employees with representatives of internally and externally. With the development of banking, more powerful the concept of social responsibility of banks for the results of their work, and due to the implementation of codes of ethics, compliance issues of bank etiquette became less important than other major problems. Customers are becoming aware about various environmental issues and the hazardous effects of rapid industrialization, it is necessary for organizations to attain sustainable competitive advantage by creating eco-friendly products. Banks can project themselves as a socially and ethically oriented organization by disbursement of loans merely to those organizations, which has environmental concerns. However, this can decelerate the economic and industrial growth but human race cannot afford the fast pace of growth at the cost of environmental depletion. For social banks, the responsibility for the whole of society is the most important measure for a good lending practice and is more important than profit alone.

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ORGANIZED RETAILING IN INDIA - ARE THE CONSUMERS AND EMPLOYEES IMPOSING CHALLENGES ON THE RETAILERS?

Aswathy.R, Research scholar in Management, University of Kerala, Trivandrum

Dr.K.S.Chandrasekar, Professor and Head, IMK, University of Kerala, Trivandrum

Abstract:

Indian retail sector is witnessing rapid growth and seeking new heights. Favourable changes in the demographics of Indian consumers, impact of global developments, policy liberalization by the government and other socio economic developments have contributed to the growth. The sector is highly fragmented and comprises both organized and unorganized retailers. Even though the unorganized retailers enjoy a lion's share of the present retail sector of India, the rate of growth of organized retailers are surprising. The transition brings opportunities and challenges to the retailers. The two important factors behind the success of any business organization are its customers and employees. The modern Indian consumers are more demanding and their service expectations are high. Retail industry predominantly being service oriented, service personnel play key role in firms success. Hence, understanding changing consumer trends and effective people management is vital for the modern retailers to enjoy a competitive advantage. So, in this article an attempt has been made to highlight the changing customer outlook and HRM practices and challenges in the organized retailing sector in India.

Key Words: Organized retailing, Consumer behaviour, Human Resource Management, Challenges

1. Introduction

The world of retailing is changing very rapidly across the globe and India is emerging as one of the most attractive retail destinations in the world. A retailer often acts as a company spokes person as there is a direct interaction happens between the customers and the retailer during the course of marketing the products and services to the end consumer. Apart from bridging the gap between the producer and the end consumer, a retailer adds value to the entire business transaction process by performing many creative roles than just selling. The word retail is derived from the French word 'retailier', which means 'to cut a piece off' or to 'break bulk'. A retailer is a person, agent, agency, company or organization which is instrumental in reaching the goods, merchandise, or services to the ultimate consumer. (Chethan Bajaj, 2007). Retailing is the final stage in a channel of distribution, which encompasses all of the business and people involved in the physical movement and transfer of ownership of goods and services from producer to consumer. The role of retailing is not just limited as an economic activity, rather it is closely interacts with the life of individuals in a society. It affects and being affected by the way people lives in a society. The developments taking place in the sector brings immense opportunities and challenges to the players in it. Modern customers are more sophisticated and demanding than past, require the retailers to be more proactive in their customer management strategies. Similarly, retail being a service industry, service personnel assume significant role in delivering quality service and experience to the customer (KambleV.V & Khillare, 2016). Hence,

Customer management and Human Resource Management are the two key areas which require a more focused attention of retailers today.

2. An Overview of Indian Retail Industry

The retail sector in India is highly scattered and consist many small, owner manned independent shops. Around 12 million retail shops are present in the country and new comers are being added to this list on a daily basis. Retail sector in India is witnessing a transition phase and this shift could be attributed to factors like favourable changes in the demographics of Indian consumers, changes in socio economic environment, urbanization, globalization impact etc. Increasing number of double income households, Increase in disposable income, increasing number of nuclear families, increased education level, occupation status, increasing number of women employees, change in life style etc are some of the driving force behind this growth. The contribution of the sector to countries GDP is estimated around 14-15%. As per AT Kearney Global Retail Development Index (GRDI) 2015, total retail sales in India amounts to \$925 billion. Retail sector in India provides employment to around 40 million Indians and which comes around 3.3% of the total population. Indian retail industry is projected to increase to \$1 trillion by 2020 and retail market is expected to grow by 12% in tune with past trends (BCG Report, Retail Leadership Summit, 2015).

Organized and Unorganized retailing

Indian retail sector is highly fragmented and unorganized retailers dominate the industry at present. Organized retailing is being carried out by licensed retailers and they have also registered for sales tax, income tax etc. The modern retail formats like supermarkets, malls, hypermarkets, discount stores, specialty shops are belonging to the organized retail segment. On the other hand, unorganized sector includes the traditional small retailer shops located near residential areas and these types of store are mostly owner manned in nature. Players in unorganized retailing do not have any uniformity in their way of conduct of business and lack professionalism in their operations compared to the modern retailers. The organized retailing revolution in India is fast and it brings new opportunities and imposes many challenges to the players in the sector.

3. Research problem

The dynamic nature of the retailing sector brings in both challenges and opportunities to the retailers. Retail sector predominantly being service oriented, the extent of customer-employee interaction is very high and, hence success of a retailer heavily depends upon the quality of service offered to the customer through their competent service personnel. Retail sector is labour intensive (Bhatla & Pandey, 2014), and they are considered as key strategic resources (Knee, 2002) of an organization. Thus, talent management is vital for gaining competitive advantage and market leadership. Similarly, Indian consumers are becoming more sophisticated and their expectations and perception are being influenced by the global changes. Thus, understanding retail consumer behavior and ensuring best talent base are the two challenging tasks for the retailers and is considered as essential (Knee, 2002). Hence, in the present paper, an attempt has been made to discuss the challenges faced by the retailers with respect to changing consumer behaviour and Human Resource Management in the context of organized retailing.

4. Objectives of the study

- I. To identify the changing consumer trends in the organized retailing sector in India.
- II. To assess the HRM strategies practiced by the organized retailers at present and new challenges faced by them.

5. Methodology used for the study

Present study is conceptual in nature. The findings furnished herein are based on the results of various research studies conducted in the area of consumer behaviour and human Resource Management in the retailing sector. The data required for the study has been collected from books, published articles in national and international journals, websites, and research reports published by various research agencies. Thus, only secondary data has been used for the purpose of the study.

6. Importance of understanding Retail consumer behaviour

Consumer behaviour has always been a research area that interested the marketers as understanding the factors that influence consumer buying will help the marketers to devise effective brand strategies, creation of unique value proposition and advertising campaigns (Rani, 2014). Owing to the favourable changes that occurred in the demographics of Indian consumers and global market changes have changed the way consumer engages in their shopping activities. While disposable income of Indian consumers are on rise, the disposable time is on decline and creates money rich but time poor consumers (Sengupta, 2008). With the emergence of multiple retail store formats, consumers started seeking new experience from retailers and began patronizing multiple store formats (Sengupta, 2008). Thus, to achieve success and competitive advantage in the business, a retailer need to be proactive in understanding changing consumer needs and implement timely strategies to ensure success.

7. Importance of Human Resource Management in Retail Sector

Growth witnessed in the Indian retail sector and corresponding need for service employees have resulted in the need for an effective HR system in retail organizations. Today's successful service organizations are strongly committed towards effective management of Human Resources and which comprises functions such as recruitment, selection, training, motivation, performance appraisal and employee retention. Investing in people fetches economic pay off to the organization. Service personals are considered as a source of customer loyalty and competitive advantage (Christopher Lovelock, 2012). Consumer purchase behaviour varies with individual sales man approach and sales men play significant role in influencing consumer purchase decision (B.V.Sangvikar, 2012). The rising consumer demands in the retail sector can be effectively met with aggressive human resource practices (Maheswara Reddy & Suresh, 2011).

8. Review of Literatures

There are number of studies conducted in both national and international level to study consumer behaviour and the HRM aspects involved in the organized retail sector. The following literatures have been reviewed for the purpose of drawing inferences about the problems and challenges faced by the organized retailer in the area of Human Resource Management and consumer behaviour.

8.1 Human Resource Management

1. (B.D.Singh & Mishra, 2008) Lack of talent, experienced man power, lack of formal retail education, threat of poaching, stressful environment, high employee turnover are the key issues identified in their study.
2. (Maheswara Reddy & Suresh, 2011) High attrition rate, training, high labour cost, complex labour laws, employee dissatisfaction with incentive schemes, inadequate performance appraisal system are the key issues identified in the study.
3. (Pandey, 2016) Has pointed out that employee referrals or In-house recruitment are the main source of recruitment and organized retailers in general comply with statutory labour norms and provides sufficient training to the employees. Employees found satisfied with the HR strategies adopted in their organization. Stress management is a challenging task for HR managers due to heavy work load and long working hours leads to employee fatigue and dissatisfaction.
4. (Knee, 2002) In his study highlighted that key issue for retailers are with respect to branding, people management, organizational growth, customer management and performance management.
5. (Bhatla & Pandey, 2014) Has concluded that retail jobs are not considered as career builders by the employees. Low salary paid to the front line employees, long hours of stressful work results in employee dissatisfaction and high attrition rate. Unavailability of experienced staff and managing part time employees impose burden on HR managers.
6. (Kamble V.V & Khillare, 2016) Have concluded in their study that lack of skilled manpower, stress in work culture, lack of formal education in retail management, work force attrition, threat of poaching are the key concern in HRM in retail sector.

8.2 Consumer Behaviour

1. (Subha & Gnasekharan, 2015) Have stated that the key factors which affect customers choice of organized retail outlets and buying behaviour are low price, physical appearance, good layout and design of the store, parking facilities, closer proximity, prompt check out services, better visibility of the item to select, promotional schemes, good customer service and store loyalty.
2. (Mishra, Parul, & Dr.Kushendra, 2015) The study proposes that atmospheric of the store very much influences the customer's decision to purchase from a store and the study concludes that, there exist a perfectly positive correlation between store atmospheric and consumer purchase decision from the store.
3. (Moideen, Farook Hussain, & Khader, 2016) The study shows that the key factors influencing the purchases in organized retail outlets are quality, affordability and availability of all items under one roof.
4. (Samal, Lakshmi Narayana, & Rao, 2013) Study reveals that there exist no considerable difference in the preference of customers towards organized and unorganized retail shopping, but a relatively good percentage of customers are not sure about their preference in shopping. The unorganized retailers have been negatively affected in terms of volume of business and profit with the growth of organized retailing.
5. (B.V.Sangvikar & Katole, 2012) The result shows that price discount offered by the retailer is the primary factor which attracts the customer to a shop followed by variety of products and convenience. Consumer purchase behaviour varies with individual sales

man approach and sales men plays significant role in influencing consumer purchase decision.

6. (Kameshvari, R, & Bariya, 2012) It is revealed that various demographic factors such as gender, age, education, occupation and income are positively associated with overall retailer perception of the customer. The underlying factors have more favored organized retail outlets than unorganized retail outlets.
7. (Prasad & Aryasri, 2011) Their study portrays that consumers move from one format to the other to save time money and effort. Demographic, psychographic, and geographic variables found significant in determining consumer choice of retail store formats.

9. Discussion and Results

Based on the review of literature concerning consumer behavior and HRM in the organized retail sector, the following inferences were drawn.

9.1. HRM strategies and Challenges in Organized Retail Sector

1. **Shortage of trained and experienced manpower:** Recruiting and selecting trained manpower and their retention thereafter is a major HR challenge organized retailers are facing. One reason for this could be the young age of the industry, and people were less motivated towards pursuing a career in the sector. So, availability of experienced manpower is a major threat faced by the employers.
2. **Lack of formal retail education:** It is seen that competency gap occurs in many key retail operation areas due to lack of formal retail education. The number of institutes which provides specialized education in retailing is very less in the country. Today, corporate retailers are taking initiatives in this regard like Tesco runs a certificate course with IIM Bangalore.
3. **Work force Attrition:** The sector faces high employee turnover. The long hours of work, less pay, stressful environment, better offers by competing firms are resulting in high labour turn over.
4. **Changing Employee expectations:** A recent research study stated that employee satisfaction in retail sector is affected not only by monetary benefits, but also they give importance to non monetary and recreational aspects.
5. **Threat of poaching:** Different service organizations are competing each other to attract employees, which increases the attrition rate. Since retail sector salary range is low compared to many other service organizations, employees are easily get attracted by other competing firms.
6. **Training and development:** According to a recent study, retail companies are focusing more on in house training. They focus more on induction programmes for the new intakes than that of providing continuous development programmes.

9.2 Changing consumer behaviour in the context of organized retailing

Based on the review of literatures, the following inferences have been made with respect to the changing trends in the consumer behaviour in organized retailing sector;

1. **Multiple store patronage:** Creating loyal customer base has become a challenging task as consumers patronize multiple retail formats. They move from one retailer to the other

even within the same store format. Managing intra format and inter format movements of consumer are imposing threat on the retailers.

2. **Store label merchandise:** There is an increased tendency among modern consumers to purchase store label merchandise. This trend is very much popular in fashion merchandise (Mitra, 2007). In India many retailers have taken efforts to launch their own private labels to compete with the manufacturer brands. Private label strategy will be a leading strategy of retailers in India and expected to grow higher from current share of 6% as against 19% and 39% in US and UK, respectively (KPMG report 2014).
3. **Planned shopping:** Most of the shoppers found to make a planned their visit to organized retail outlets and found to be in favour of opening more organized retail shops (Pandya Amit R, 2012). Nevertheless, another study finding shows that there exist to considerable difference in the preference of customers towards organized and unorganized retail shops, but a reasonably good percentage of people are confused in their preference (Lakshmi Narayana K, 2013).
4. **Cross shopping and increased spending:** Organized retailing has increased spending made by the consumers. As a result, unorganized retailers have negatively being affected in terms of volume of business and profit (Lakshmi Narayana K, 2013). The satisfaction of customers in the organized retail outlets depends largely on their monthly income and average purchase per month (Rajan & Purushothaman, 2014). High income group prefer organized retail outlets than unorganized for shopping, though they spend more in unorganized outlets for staple items (Kameshvari, R, & Bariya, 2012).
5. **Increased role of Sales man:** Studies shows that the role played by retail sales people is significant in retail sales. Consumers are significantly influenced by the product knowledge, communication, courtesy and the customized sales approach adopted by individual salesman. (B.V.Sangvikar, 2012). The stage of interaction between the service personnel and customer, otherwise known as Service Encounter stage is the core of service experience (Christopher Lovelock, 2012). Consumer purchase varies with individual sales man approach and heavily influenced by the knowledge and courtesy of the sales people (B.V.Sangvikar, 2012)
6. **Varying shopping intentions:** It is really interesting to see that, modern shoppers visit shopping malls for distinct purposes. Some for shopping, Another category for entertainment and Sometimes for window shopping as well (Lakshmi Narayana K, 2013) and price discounts offered by the organized retailers is a key factor which attracts shoppers mainly to the modern retail outlets.
8. **Increased number of lady shoppers:** A recent study reveals that majority of the customers in the organized retail outlets are females (M.Farook Hussain, 2016). Increasing number of women in employment, women as co decision maker in families, empowerment initiatives for women etc have certainly contributed to the phenomenon. Thus understanding women customer expectations are important.

Conclusion

Consumer behaviour of Indian consumers is evolving faster than ever before. Being a country having strong economic base and affluent and young consumer base, Indian retail sector is becoming one of the most attractive retail destinations in the world. Organized retailing in India

is in its initial stage of developments, but huge untapped potential lies ahead for the national and international players to enter and flourish. Thus, constantly monitoring the dynamic shopping behaviour of retail consumers and effective HRM strategies will help the retailers to grow and sustain in the industry.

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DEMONETIZATION: IMPACT ON THE SAVINGS OF COMMERCIAL AND COOPERATIVE BANKS IN KERALA

Sujatha.G.S, Research Scholar, Department of Commerce, University of Kerala
Dr. Balu.B, Assistant Professor, School of Distance Education, University of Kerala

Abstract:

Demonetization means removing the series of currency from circulation or general usage. The Government of India was announced, their economic decision of demonetizing high value currency notes of Rs.500 and Rs.1000 on 8th November 2016. The Government stated its main objective is to try to make corruption free India. The concept of savings of the public through bank deposits plays an important role in economic analysis. The study of the saving behavior in any developing country such as India is interesting as it involves careful examination of the process of economic growth of that country. Both demonetization and savings through bank deposits are economic activities. The present paper attempts to find out the impact of demonetization on deposits of Commercial and cooperative banks in Kerala.

Key words: Demonetization, Commercial banks, Cooperative banks, Economic Decision, Economic growth, Regional rural banks.

INTRODUCTION

The Prime Minister of India, Mr.Narendra Modi address to the nation on November 8, 2016 made an announcement to scrap Rs.500 and Rs.1000 currency notes. The Prime Minister also addressed the people many times telling the people that it was a *mahayajna* and they must offer their own ahuti in it. Mr. Modi said that the attempt actually aimed at curbing the “disease” of corruption and black money. The government stated that the economic decision of demonetization has many objectives viz (i) to make corruption free India, (ii) to curb black money, (iii) control the escalating rising price, (iv) to stop the funds flow to illegal activity, (v) to make people accountable for every rupee they possess and income tax return, (vi) to make a cashless society and create a digital India, among other things.

Before demonetization announcement the government has taken a few steps. As the first step the government urged the people to create bank accounts under Jan Dhan Yojana and deposit all the money in the account and also do their future transaction only through banking methods. The second step that the government initiated was a tax declaration of the income and had given October 30, 2016 deadline for the purpose. Through this method, the government was able to mop up a huge amount of undeclared income. The government claims that one of the important benefits of economic decision of demonetizing is that boost deposit base and savings. It is in this context, it is worth while to make an inscive assessment to find out the impact of demonetization on the deposits of commercial and cooperative banks in Kerala.

REVIEW OF LITERATURE

In India, the first demonetization policy was done in 1946 with the complete ban of Rs.1000 and Rs.10000 notes to deal with the unaccounted money. Second time it was done in 1978 by the government headed Sri.Morarji Desai when Rs.1000, Rs.5000 and Rs. 10000 notes were demonetized. Similar to India, other economies in the world also attempted this exercise. The reasons attributed for demonetization were black marketing, currency storage, corruption, fake

currency etc. Sandeep Kaur (2016) has studied the impact of the demonetization on the economy and the system. He studied the impact based on eleven factors viz. black money and corruption, funding, real estate, elections, gold/silver, digital payments, fake currency, GDP, markets, decrease in interest rates and lower inflation. The study observed that it is a historical step by the Modi government and it should be supported by all. He further stated that this economic decision definitely fetch results in the long term. Banking and infrastructure sector demonetization would be positive in the medium to long term. This could be negative for sectors like consumer durables, luxury items, gems and jewellery, Real estate and allied sectors. He further found that this move is another stepping stone for sustained economic growth in the longer term.

Veerakumar, K. (2017) in his study observed that demonetization impacted the people India. In this study, he found that demonetization is a big shock to India. He observed that the demonetization is taken for several measures such as tax evasion, counterfeit currency and funding of illegal activities. He concluded that alternative payment methods have been increased such as e-wallets, online transactions using e-banking, debit and credit card and this will shift an efficient cashless infrastructure.

OBJECTIVE OF THE STUDY

The study aims to assess the impact of demonetization on the amount of deposits of commercial banks and cooperative banks in Kerala.

METHODOLOGY

The present study is analytical in nature based on secondary data. The secondary data were collected from the reports of RBI, State Level Bankers' Committee and other electronic sources. In order to assess the impact of demonetization on the deposits of commercial and cooperative banks in Kerala, the deposits of the banks provided by the State Level Bankers' Committee during the pre-demonitization period and post demonitisation period were used.

RESULTS AND DISCUSSION

The commercial bank play a significant role in the in the total banking operation of Kerala. The commercial banks include public sector banks and private sector banks. The public sector banks include SBI, other Nationalized banks and regional rural banks. From Table 1, it is clear that the deposits of both public sector banks and private sector banks show a positive growth rate from pre demonetization to post demonetization. Among the public sector banks, the deposits of Regional Rural Bank reveals a high growth rate from the pre demonetization period to post demonetization period . The deposits of remaining public sector banks indicate almost equal growth rate. This means that the growth rate of deposits of these banks has increased between 5 percent and 6percent from pre demonetization to post demonetization. The deposits of private sector banks also show a positive impact of demonetization on bank deposits. It reveals that the growth rate of deposits of this bank has increased 6.57 percent from pre demonetization to post demonetization. Totally the bank deposits of commercial banks in Kerala are positively affected by demonetization.It means that the total growth rate of commercial bank deposits in Kerala has increased.

Table 1: Effect of Demonetization on the Savings of Commercial Banks

Commercial Banks	Pre-demonetization	Post-demonetization	Increase/Decrease (in%)
State Bank	12705145	13380759	5.31

Nationalized Banks	9951888	10507675	5.58
Regional Rural Banks/ Kerala Gramin Bank	1091289	1197166	9.70
Total Public Sector Banks	23748322	25085600	5.63
Private Sector Banks	14219227	15153717	6.57
Total	37967549	40239317	5.98

Source: SLBC Kerala

In the Indian economy, cooperative banks play an important role. Cooperative banking has three tier banking system such as state cooperative banks, district cooperative banks and primary cooperative banks. Among cooperative banks only the district cooperative bank deposits show a positive impact of demonetization. But the growth rate of bank deposits of this bank has increased a very little (0.39) percent from pre demonetization to post demonetization. All other cooperative bank deposits show a negative impact of demonetization. Among these banks KSCARDB deposit show a most negative impact of demonetization. That is the growth rate of this bank deposit has decreased 11.19 percent. Totally the bank deposits of cooperative banks in Kerala are negatively affected by demonetization. The total growth rate of bank deposits of cooperative banks in Kerala has decreased.

Table 2: Effect of Demonetization on the Savings of Cooperative Banks

Cooperative Banks	Pre demonetization	Post demonetization	Increase/Decrease (in%)
Dist. Cooperative banks	5825272	5848488	0.398539
KSCARDB (incl. PCARDBS)	85503	75931	-11.1949
KSCB	552619	537506	-2.7348
Total	6463394	6461925	-0.02273

Source: SLBC Kerala.

CONCLUSION

Demonetization can be said that it is a historical step by the government and at the same time it is a big shock to Indian. The study was conducted on Bank savings in Kerala with the objective to find out that any change on bank deposits of Kerala made by demonetization. Through the analysis of the commercial bank deposit from pre demonetization to post demonetization, it is understood that it shows a positive impact of demonetization. Among commercial banks Regional Rural Bank deposit growth rate shows a high positive from pre demonetization to post demonetization. At the same time cooperative bank deposit shows a negative impact from pre demonetization to post demonetization, it is understood that it shows a slight difference. Hence a further analysis was done to find out the actual growth in the bank deposits of the cooperative banks. From this analysis this study found that there is a very less negative impact of demonetization on cooperative bank deposits. Among these banks KSCARDB deposit shows a most negative impact of demonetization. Most of the branches of cooperative banks are located in an urban area. KSCARDB have branches only in urban areas. But in the case of commercial bank most of the branches are located in semi urban area. Among commercial banks Regional Rural Bank's branches are mostly located in semi urban area. This bank deposit shows a high

positive impact of demonetization. The bank deposits of branches in a semi urban area show a higher growth rate than that of the branches in urban area. In this viewpoint, this paper can say that demonetization influenced the saving behavior of the semi urban area in Kerala.

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EMPLOYEE DEVELOPMENT THROUGH WORKPLACE MENTORING – A DESCRIPTIVE ANALYSIS

Arathy. K. Nair, Research Scholar in Management, Karyavattom, Trivandrum
Dr.G.Raju, Professor, Department of Commerce, University of Kerala, Karyavattom,
Trivandrum

ABSTRACT

Mentoring is a strong relationship in which a more experienced person guides, facilitate and assists another in making them more skillful, knowledgeable and capable of doing. Mentoring programs develops the employee's commitment towards an organization as it is willing to invest in the personal as well as professional development of the employee. Mentoring is defined by Suzanne Faure as a “supportive learning relationship between a caring individual who shares knowledge, experience and wisdom with another individual who is ready and willing to benefit from this exchange, to enrich their professional journey”. It fosters an amiable environment in the organization as it molds the employees to develop a win-win approach. Mentoring is one of the most important tools of Human Resource Development. It is emerging as an inevitable part of career development

Mentoring has a great impact on the psycho-social and professional progress of an employee. It could bring about work- life balance, thus allowing the employees to be more productive in the work place. It prevents the organization from employee turnover, burnouts and absenteeism. The employees get a psychological satisfaction while they are being matched with the top or senior experts as their mentors.

Though the mentoring process helps the organization in different ways by creating harmony and team spirit, motivation, job satisfaction etc. its relevance is yet to be known. The management of many organizations have a tendency to look at the program in a skeptical perspective, there by choose not to implement the much effective program in their organization. The article on “Employee Development through workplace mentoring- A Descriptive Analysis” is an attempt to elucidate on the different dimensions of mentoring and its significance in developing the employees' prowess in the present organizational context. The study seeks to give an inkling on the process, phases, models of mentoring which could be used by an organization based on the specific organization structure.

Keywords: Mentoring, Employee Development, Human Resource Development, Organizational Context, Emerging Trends.

Introduction:

“The delicate balance of mentoring someone is not creating them in your own image, but giving them the opportunity to create themselves”- Steven Spielberg

Human Resource is an indispensable part of an organization's development. The value of an organization is determined by how much it invests for the development of the human resource and its success lies in the returns of that investment. The organization should aim in its own progress by paving way for the employee's individual as well as career development. The HR department plays a crucial role in directing the employees in finding the right career path to

widen their horizons. As human factor is valued as the most integral part, many organizations are now implementing new developmental plans and programs to develop the skills, knowledge and proficiency of the employees there by enhancing their work capability. Some of such employee development methods are training, coaching, mentoring etc., of which mentoring stands out as a developmental progressive method. Mentoring is one of the best cost-effective ways to develop the employee potentials.

Mentoring is an evolving process which involve a transmission of skill or knowledge from a more experienced to a less experienced person through learning interchange. It's a structured two-way process in which individuals develop skills and achieve defined competencies through assessment, guided practical experiences and regular feedback. A good mentor is a interim person who offers and receives a young man into the mature world. (Levinson et al, 1978:323). The approach is usually hierarchical and the process has been described as the 'recycling of power'. The recycling of power has echoes in the historical roots of mentoring, which lie in the Greek myth of 'Ulysses' who in preparation of his lengthy sea voyages entrusted his young son 'Telemachus', to the care of his old friend 'Mentor' alias 'Athena'. There after the name has been identified with an experienced or 'seasoned' person who forms a functional relationship with a less experienced person in order to provide them with support, encouragement and guidance.

ORGANIZATIONAL CONTEXT AND MENTORING WORKPLACE MENTORING

'Work place mentoring is a 'learning partnership' amid staffs for job of allocation of procedural information, official and organizational data and vision with respect to a specific career, vocation, organization and endeavor'.

Formal mentoring programs create and nurture associations by linking a more practiced employee(mentors) with less experienced (mentee) to meet precise objectives together by facilitating the employee to recognize and explore their own prowess.

It has become progressively clear over years that employees who seek for advanced management echelons in an organization frequently need the assistance and backing of someone higher up in the organization. In mentoring, a senior employee takes an active role in guiding another individual and this advocacy assures the candidate on how to successfully move through the organizational system. Mentoring can be applied in numerous ways in order to assist the organizations in developing new capable employees, construct a channel of leaders for the upcoming days and generate a culture that appeals and maintains "A" level workforces. It is one of the means that could be produced across a good amount of "leadership development programs" intended to bridge the core preparatory gap and concoct talented employees for today's intricacies.

Effective plans must connect various elements to encounter today's challenge of workforce diversity. Mentoring programs capacitate organizations to measure capable resources in a variety of situations and across a vast range of positions and stages, increase operative efficiency, develop leadership competence, monitor and appraise the organization's dimensions for continual performance, and address and assimilate diversity strategies.

Association of Talent Development (ATD), Philadelphia conducted researches on mentoring programs indicating the following results: -

1.77% of companies account that mentoring programs were operative in cumulative employee retention.

2.35% of employees who do not obtain systematic mentoring searched for another job in 12 months.

3.75% of executives indicate mentoring played a key role in the careers.

4.44% of CEOs list mentoring as one of the three most effective strategies to enhance women's advancement to senior management.

5. CEOs state that one of the top three factors affecting career growth is mentoring.

6. Management productivity increased by 88% when mentoring was involved vs. 24% increase with training alone.

7.71% of Fortune 500 companies use mentoring to ensure learning occurs in their organizations.

8.95% of mentoring participants said the experience motivated them to do their very best.

9.78% of Fortunes top 25 companies offer mentoring programs.

10.96% of executives say mentoring is an important development tool.

A work place mentoring program can be a boon to any business. Junior employees are given the opportunity to learn from higher-ups, while senior staff can help mold the future of the company by imparting words of wisdom.

The concept of mentoring had undergone certain rapid changes from a classical view to a modern view. The classical view of mentoring includes:

- | | |
|----|----------------------|
| a) | Knowledge Transfer |
| b) | Wise Counsel |
| c) | Practical know-how |
| d) | Intellectual capital |
| e) | Advice |
| f) | Guidance |

Modern concept of mentoring states that it is not enough to equip the mentees but they have to be empowered as in:

- | | |
|----|------------------------------|
| a) | Make creative contributions |
| b) | Utilize unique diversity |
| c) | Fulfill dreams and passions |
| d) | Pursue goals and initiatives |

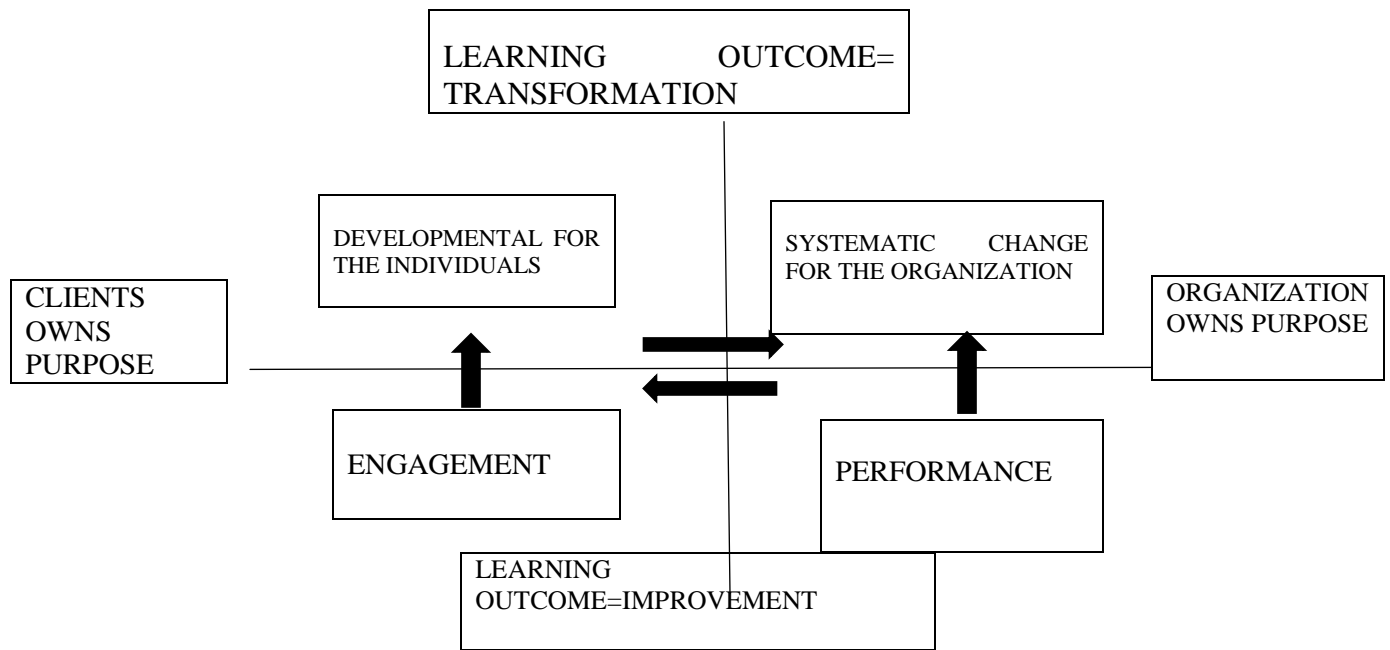
MATCHING OF MENTORS AND MENTEES

Mentoring as a non- training intervention has grown rapidly in the last twenty years. From teacher education to community foundations, mentoring relationships are widespread, and have a variety of purpose. Mentoring is a time proven strategy that can help people in all circumstances to achieve their potential. It is the structured and trusting relationship that brings young people together with caring individuals who offer guidance, support and encouragement aimed at developing the competence and character of the protégé.

Mentors are basically the senior employees who seed the growth of leadership and succession by enabling the junior employees to do a high-end job of guiding others, and in the process, reassess their own capability and beliefs for further growth. The organization benefits in several ways such as in leadership development, succession planning, career planning, employee retention, knowledge management and organizational learning.

There should be a high probability that mentors and mentees would work together and that the relationship will be productive. Voluntary participation and self – initiated pairing of mentors and mentees must be encouraged. Mentoring, when it taps into continuous learning that’s is not an event or even a string of discrete events. Rather, it is the synthesis of ongoing event, experiences, observation, studies and thoughtful analyses.

Figure-1. SITUATIONAL MENTORING: THE ROUTE TO ORGANIZATIONAL TRANSFORMATION



The figure shows, mentoring activity in the performance quadrant, within a performance structure, while important for addressing corporate goals, is likely to lead improvement. The route to organizational change first through performance management, then to staff engagement with aligned objectives, then to the development for individual transformation with individually owned objectives and thence to organizational transformation.

PHASES OF A MENTORING RELATIONSHIP

The mentoring relationship typically has four distinct phases. They are

Orientation Phase: This is the first phase during which both the mentor and protégé are getting to know each other, and building trust. At this level, both the protégé and the mentor are developing expectations with each other. The interaction that occurs at this stage will lay the foundation for a strong and beneficial relationships.

Learning Phase: This phase is the most rewarding time for both mentor and mentee. The mutual trust that has developed between the two can give the protégé the confidence to challenge the ideas of the mentor, just as the protégé 's ideas will be challenged by the mentor. The mentor will do all that is expected of him like guiding, correcting and helping so as to enhance the overall capabilities.

Dissolving Phase: The protégé attains a sufficient level of maturity in terms of his capabilities to work independently at this stage. The mentor slowly steps back from his role by encouraging the protégé to work on his own. There should be appropriate communication between two parties to understand correctly why it's important to part ways at this stage.

Redefining Phase: This phase comes after the mentoring relationship is brought to a logical conclusion. Here the mentor's and protégé's relationship enters a new phase, where both parties can regard one another as equals. They continue to have some form of interaction, although it is now on a casual basis.

Georgia. T. Chao conducted a study on 'Mentoring phases and its outcomes on 178 protégés out of which 82 are current protégés and 69 former protégés 's are compared with 93 individuals reported never having a mentor. The results showed consistent difference between mentored and non- mentored individuals.

MODELS OF MENTORING

A model provides structure to enable coaches and mentors to conduct individual sessions and structure a series of sessions. It's a 'journey map' which is helpful during a session where you may need to help your mentee to consider alternative ways for dealing with a challenging situation, or for tackling any situation where there may be a number of options and you want to help your mentee explore these options. (Pegg. M, 2003) Many models of mentoring are available but three models which could be used in any circumstances in an organization is described here. The models are the John Carruthers's model, Elizabeth Kubler-Ross Model, and David Clutter buck & David Megginson Mentoring model

John Carruthers Model (1993)

Carruthers' developmental mentoring model shows the stages through which both mentor and client pass, as the mentor 's influence wanes and the protégé's personal power increases., with the power balance moving gradually from the mentor to become wholly with an autonomous protégé (Carruthers, 1993)

$M \rightarrow \rightarrow M_p \rightarrow \rightarrow MP \rightarrow \rightarrow mP \rightarrow \rightarrow$

Key: M=mentor has most influence

p = protégé dependent

m = mentor influence wanes

P= protégé going through stages of self-confidence and autonomy

Carruthers identifies these stages in the mentoring relationship as:

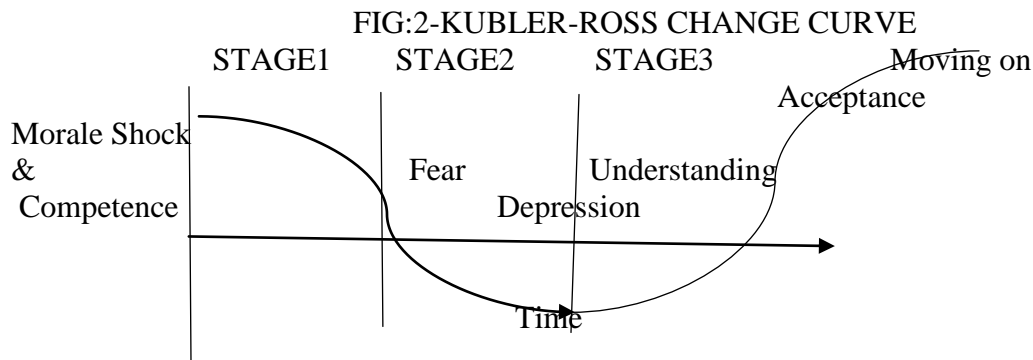
M: Formal, where a protégé is dependent on the mentor’s guidance

Mp: Cautious, where a protégé is likely to begin to feel confident in completing tasks with the support of MmP: Open, where both recognize the expertise of the other and this is openly acknowledged.

P: Beyond where the relationship evolves into a friendship of equals. (Carruthers, 1993:82)

Elizabeth Kubler-Ross Model

The transition curve based on the grief stages pioneered by the psychologist Elisabeth Kubler-Ross reflects Carruthers’s model as the protégé moves from denial and resistance, an unlearning of old habits’ and facing up to prospect of changing them; through a middle stage where the protégé is confidently taking on new ways of working.



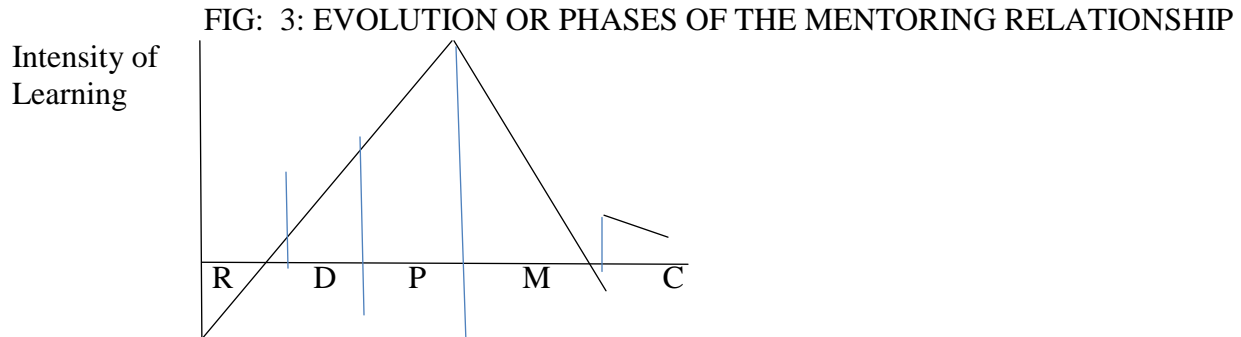
Source:Kubler-Ross(1991)

1) DAVID CLUTTERBUCK AND DAVID MEGGINSON MENTORING MODEL (1998)

David clutter ‘s model (1998) draws on two dimensions, the directive – non- directive axis and the need axis, which runs from intellectual to emotional, as it does the mind from body (Ryle,1983). Clutterbuck suggests that the most effective developmental mentors will be able adopt whatever role is necessary, when needed, and alert the practitioners to the spectrum of directive ness in the guardian role and the role broker to expand the client’s network. Clutterbuck presents the stages of mentoring as:

- ➔ Rapport Building
- ➔ Direction Setting
- ➔ Progress making

→ Maturation
→ Close Down



The relationship begins with the rapport building and low learning intensity, moving towards direction setting and progress making with high learning intensity. As the client becomes self-reliant the mature relationship moves towards its close, with reduced learning intensity. The techniques recommended by Clutterbuck and Megginson emphasize the importance of a client's ownership of goals (Megginson and clutterbuc,2005) and the whole person development which includes high levels of empathy (Megginson and Clutterbuck,2009), putting their models into the developmental quadrant.

CASE STUDY ON G.E ELECTRICS

A study by the American Society for Training and Development found that 71% of Fortune 500 companies have some type of corporate mentorship program. They also found that 75% of executives credit their mentors with helping them reach their current positions.

In a recent article by Chief Learning Officer Media, research strongly suggests that mentoring is a critical Learning and Development tool that can be leveraged to achieve various outcomes, such as developing high-potential talent and global leaders. For example, consider General Electric and Intel, both have very strong, but different Career Development Mentoring programs. (Dr. Brian Glibkowski,2016)

G.E in the mentoring phase

A strong example of the Career Development type of formal mentoring is highlighted in the case of General Electric. In an article by Human Resource Executive online on McKinsey's foreshadowing of "The War for Talent" it is clear that nearly 20 years after the report released, the fight is picking up momentum. HREO notes that among the leaders in the talent pursuit is, perhaps unsurprisingly, General Electric with its formal mentoring program, Experienced Commercial Leadership. In fact, HREO observes that General Electric's proactive programs would posit this leader of the electrical/electric manufacturing industry among global top talent leaders as a benchmark for decades to follow: "Iconic factories, such as General Electric...responded with revamped college-recruiting programs, management-development tracks, corporate universities, employee-engagement and retention initiatives, mentorships and

even established ‘talent-management’ functions.” In addition to the recruiting efforts cited, an HBR article further highlights the GE Leadership program as a cultivator of customized skill-building required for mid-career leaders: “...one participant may need an international assignment because he or she has never experienced another culture, while another participant may need a shop-floor experience so that he or she learns to manage a large group of people.”(Dr.Glibkowski,2016) Research conducted by Academia provides that effective implementation and measurement of Formal Mentoring programs positively impact a diverse array of beneficial organizational outcomes. Mentoring has been studied in terms of three primary dimensions: psycho social support, career development, and role modeling. Mentoring has been found to be important to a number of positive organizational outcomes such as job performance, job satisfaction, and turnover intention. Effective mentors exhibit psychosocial support, which entails bolstering confidence and sharing personal problems. Career development involves taking a personal interest in the mentee’s career, special coaching on the job, and other types of career focused support. Finally, role modeling involves behaviors the mentee can imitate, and respect for the mentor’s knowledge and abilities. New graduates who are hired into one of General Electric’s (GE) nine business units are placed into their Experienced Commercial Leadership Program. All program participants will complete eight-month rotations within the sales and/or marketing areas of their particular business. The training is designed to help participants advance and further develop their knowledge of different sales and marketing skills. They also work to enhance their leadership abilities.

Communications Leadership Development Program (CLDP)

CLDP involves three challenging eight-month rotations working in external communications, internal communications and marketing communications. Successful CLDP participants who demonstrate their leadership abilities can rapidly advance their careers at GE. The program provides leadership, communications and business-focused training as well as cross-business experience from which participants gain leadership skills and communications-specific competencies. CLDP is an extensive peer network and participants enjoy visibility with senior leaders, providing global networking and mentoring opportunities for accelerated professional development.

THE IMPACT

GE was recognized for its ability to maximize the value of the enterprise’s intellectual capital by producing expectational leaders. GE’S mentoring program brought worldwide reliability to all its business. GE has been referred to as a “captain-of-industry university” or “the leadership factory” in recognition of its ability to exceptional leaders. (D.K. Tripathi,2009) GE, has been able to use its quality of multiplicity, to transmute into a learning organization where employees could develop continuously. Analysts observed that GE never experienced any dearth of good leaders to take over the reins as and when the need arose. Its observed through the evaluation assessments that mentoring programs encouraged the employees to work more confidently, specifically and it enhanced their motivation and morale.

IMPLICATION OF THE ARTICLE

Mentoring is an unavoidable tool as far as an organization is concerned. Organizations could make use of mentoring models according to the organizational structure in order to develop a strong relationship between every level of employees and to generate numerous pro-active and productive employees. The day to day application of mentoring enlarges positive employee attitude towards work, which in turn causes employee reduced turnout and maintains a prolific workforce.

CONCLUSION

As a whole, mentoring engenders a faction of steadfast employees and also, it grounds their holistic development. Mentoring relationship extends even after the mentor or mentee leaves the job scenario which helps the employee in expanding his connections and status. Apart from fast-tracking the synergy, it plays a key role in sprouting employee satisfaction, retention, productivity, knowledge management and excellence. In all these ways, indubitably, mentoring stands out as a momentous employee development tool.

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COMPARISON OF LIFE INSURANCE POLICY HOLDER'S PERCEPTION ON THE LIC AND SBI LIFE INSURANCE IN COIMBATORE

P.K.Hariharan, Research Scholar in Management, Anna University Regional Centre, Coimbatore
Dr.Barani, G, Associate Professor, Bharathiar School of Management and Entrepreneur
Development, Bharathiar University, Coimbatore.

Abstract: LIC of India and SBI Life Insurance company's policy holders have been taken as respondents for this study to find out their perception on life insurance products. Comparison of the strengths of LIC and SBI Life, operating efficiency, utilization of banks infrastructure for cross selling of Life insurance policies. The growth of infra structure projects and national building hinges on the revenue offered by the insurance industry.

Key words – ethical behavior, flexible products, office ambience, agent thinking from the customer angle, timely service, satisfaction level, brand image, loyalty

Introduction : This study aims to understand the perception of the life insurance policy holder with reference to SBI Life and LIC Of India in Coimbatore. This paper attempts to have glimpse of the subject and suggest points for implementation by the insurance industry to sustain and grow in tandem with the changes to be met with in the future. The earnings from the Insurance industry form a major chunk in the GDP of the nation as a whole. This was 53.66% in the year 2016 – 17. This industry needs focus and lot of work needs to be carried out in this direction for a structured growth. In the year 2000, President of India vets the IRDA Bill allowing the private players in Life Insurance business. In the year 2015 , Foreign Direct investment revised from 26% to 49% with a view to provide impetus to the growth of Insurance Industry.

LIC of India – Public sector, Mission “ A Policy in every pocket by 2020” .

SBI Life – Private sector, Mission: To emerge as the leading company offering a comprehensive range of life insurance and pension products at competitive prices, ensuring high standards of customer satisfaction and world class operating efficiency thereby becoming a model life insurance company in India in the post liberalization period.

Review of literature :

Hemant Katole (2012) in his study made on the association of the age and amount of premium paid, association of the income and the savings, association on the employment and number policies, concluded that higher income group tend to save more. Age of an individual does not influence about the ideal risk cover.

Ms. Babita Yadav and Dr.Anshuja Tiwari (2012) made a study on factors affecting customer investment towards life insurance products, the factors such as age, gender and income levels. Majority of the policy holders preferred money back policies cutting across the age, gender and income levels. Between LIC and private insurance companies , customers preferred LIC as there is no threat factor to the investment, as it is a trusted name and backed by the Government.

Dr. Divya Negi and Praveen Singh (2012) in their study on demographic factors influencing purchase of life insurance state the following: Product quality and brand image rule the market, brand loyalty is the least consideration of the policy holders, smooth and hassle free settlement of claims is the basic need for insurance investment. Age group of 41 to 50 educated and married individuals have opted for life insurance in large numbers.

Mushtaq ahmed and Obaid Ur Rahman (2015) made an observation that delay in formulating the appropriate marketing mix will lead to the loss of business by the life insurance companies. Life Insurance income has come to stay as a major constituent of market economy and extensive research needs to be done by the Life Insurance companies.

Sandeep Chaudhary (2016) in his paper on Consumer Perception Regarding Life Insurance Policies, has mentioned the need for insurance for the family's financial requirement, for repayment of loan and expenses , investment options and protection against critical illness, draw loans and as a tax saving mechanism as concluded from the study.

Objectives of this study:

1. To find the perception of the policy holders of SBI Life and LIC of India in Coimbatore.
2. To find the most popular promotional tool for the awareness of life insurance products .

Research methodology:

Type of research : Descriptive research

Respondents: Life Insurance Policy holders of LIC and SBI Life

Total of 500 respondents (250 each from LIC and SBI Life were considered as purposive sampling for this study, as the study is to compare between the two Life Insurance companies, hence equal number of respondents from both companies)

Sampling techniques : Purposive sampling method (SBI and LIC of India Life Insurance Policy holders with predetermined numbers.)

Data collection methods : Primary data by questionnaires and direct interview with respondents and secondary data from the published information, IRDA, LIC of India and SBI Life web sites.

Statistical tools : Percentage Analysis.

Brief note on the product : Life Insurance is a product that sometimes confuses and bewilders the individual. This is a death benefit, which means the money will be paid to the nominee (as described in the policy) , as the nominee depends on the income generated to meet their expenses. In addition to long terms protection and saving for the money, tax benefits associated with investment on Life Insurance policies.

Due to the entry of private players in the market, after the year 2000, LIC of India felt the need for establishing direct marketing channels: Direct Marketing Channel was established in August, 2009 with 6 Units and has expanded to 124 Units, presently, spread across the Country. The initiative was started with an Objective of creating new systems for Business Generation, Sales Process Monitoring and Business Process with a view to reach out to untapped Markets. Today's young, tech savvy and High Net Worth Individuals need constant updates on the products and services. The direct feedback from the customer with regard to the product and service will provide inputs for innovating new products and services to the target market.

In the year 2015 – 16 LIC sold 59,832 new policies and collected a first premium income for Rs.363.41 crores under direct marketing channel. In the same year the Distance marketing (internet) sold 11236 policies and collected a premium of Rs.47.06 crores. LIC of India has 10,18,039 active agents as on 21.03.2016 who bring regular business.

LIC Of India: The Organisation has 8 zonal offices, 113 divisional offices, 2,048 branch offices, 1,408 satellite offices 1,238 mini offices and an employee strength of 1,15,394. Death claim settlement of LIC stands at 99.63% highest not only in India but internationally. *LIC Profile 2017*

A study was made on the policy holder perception and preferences of LIC of India and SBI Life Insurance Company, in Coimbatore. SBI Life Insurance – Private sector (76.04 % capital held by Public sector State Bank of India) and balance 23.96 % by BNP Paribas Cardiff. Whenever premium is collected for a Life Insurance Policy, a percentage of the premium is given to long gestation, infrastructure projects as a long term investment. The funds deployed go into Nation building. For the period 1956 ~ 2017, such deployment of funds , shown in the following table:

TABLE 1

LIC's share to the Five year plans 1965 ~ 2017		
PP NO	Period of Plan	Inv in Crores
2	1956 - 1961	184
3	1961 - 1966	285
4	1969 - 1974	1530
5	1974 - 1979	2942
6	1980 - 1985	7140
7	1985 - 1990	12969
8	1992 - 1997	56097
9	1997 - 2002	170929
10	2002 - 2007	394779
11	2007 - 2012	704151
12	2012 - 2017	1423055

Source : LIC of India corporate profile 2017

Interpretation: From the above table it can be seen that the LIC's share to the five year plans of the Government of India has been steadily increasing form Rs.184 crores in the year 1956 – 61 to Rs,14,23,055 crores in the year 2012 – 2017. The growth in the insurance sector is a direct indicator for the investment in Government projects and growth of the nation.

Distribution Channels Of SBI Life Insurance Products: Company has developed a multi-channel, hybrid distribution network comprising bank branches of SBI , individual agent network (93,849 agents) and other distribution channels including direct sales and sales through corporate agents, brokers, insurance marketing firms and other intermediaries. Profitability of SBI life could be seen from the table below:

TABLE 2 SBI Life declared dividends from the year 2012 from the profits as seen below:

SBI Life Insurance working results Rs in millions between 2012 - 2016					
Particulars	Year 2012 - 13	Year 2013 - 14	Year 2014 - 15	Year 2015 - 16	Year 2016 - 17
Total assets	523,086.99	590,175.92	722,366.03	807,245.58	992,252.47
Total revenue	149,755.25	173,694.22	231,864.86	191,197.24	302,775.13
Profit after tax	17,093.59	23,201.17	29,909.91	36,906.65	44,647.82
Increase in % of profit over the previous year		35.73	28.91	23.39	20.98

Source: India Brand Equity foundation, Success of SBI Life.

Interpretation: From the above table we can infer that the operating results of SBI Life is consistently good as there has been improvements made on the percentage of profit year after year, increase in the assets and revenues, a reflection of operating efficiency.

Strengths of SBI Life Insurance company Ltd:

1. Largest private life insurer in India since 2010.
2. Backed by SBI and BNPPC,
3. Multi-channel distribution with presence all over the nation (Branches, Agents and Online),
4. Strong capital base. Company has not required additional capital infusion since 2008,
5. Diversified product portfolio

Main strength of SBI Life is that the operating costs are well under nine percent and this provides a competitive edge. In Coimbatore they have two unit offices and 18 branches of SBI sell through their branches of the bank. The results from table 2, substantiates this fact.

LIC has 1 Divisional Office, 26 branch offices, 20 satellite offices, 18 mini offices manned by 700 staff members in Coimbatore.

Pilot Study:

A pilot study was conducted to test the appropriateness of the questionnaire with 50 respondents from the policy holders of SBI and the LIC and the questionnaire was corrected in following sections:

Q. No. 13 having options of Term, Endowment and Money back policies only as three broad conventional categories initially and the following options were added such as *ULIP*, *Pension* and *Child plan*, in the questionnaire

Q. No. 15. Payment options such as *ECS*, *NACH* and *SSS* options were added.

Q. No. 16. " *Policy maturity amount* " was modified as " *Sum Assured* " based on the input given by an Agent. The sum assured amount was also corrected to *above Rs.30 lakhs* in the last *column* in the same question.

Primary data collection: After incorporating the above corrections, a well structured questionnaire was prepared with the following sections for collecting the primary data with 500 respondents , in Coimbatore.

- A. Demographic details ,
- B. Life Insurance Policy details,
- C. Awareness of the Life Insurance product through the promotional channels,
- D. 34 Dichotomous questions of various on the product awareness and agent attitude to the customers, product knowledge, referring to higher ups in case of a problem etc.,
- E. 43 Questions on the agreement levels of the statements pertaining to the customer perception of the company, qualitative aspects and ethical behavior of agents, office ambience, payment options, technology up gradation, promptness of service, periodic realignment of products to suit the customer needs, etc.,
- F. Ranking questions on the Purpose of purchase of Life Insurance Policy,
- G. Ranking questions on the Factors influencing the purchase of the Policy and
- H. Degree of awareness on various Financial saving instruments.

TABLE 3 Education level among the policy holders is tabulated below:

Education level	Number	Percent
10 th	50	10.00
12 th	37	7.40
Degree	96	19.20
Diploma	21	4.20
Post graduate	56	11.20
Professional	240	48.00
Total	500	100

Source: Primary data

Interpretation: 48% of the respondents were found to be professionally qualified, Degree, diploma and PGs constituted to 34.6% and 10th and Plus Two were at 17.4%.

TABLE 4 Education level and preference of the policy holders:

Which Policy	10th	12th	Degree	diploma	PG	Professional	Total
SBI	0	1	10	3	25	212	251
LIC	50	36	86	18	31	28	249
	50	37	96	21	56	240	500

Source: Primary data

Interpretation: Definite link established between education level and policy holder preference to the company. SBI Life insurance policy holders are seen to be professionally qualified evident from the above table. Out of 251 respondents, of SBI Life Insurance Policy holders, 212 were professionally qualified amounting to 84.46%.

TABLE 5 Income levels and the preference among the policy holders:

Annual Income in lakhs	<1 L	1-3 L	3-5 L	5-7 L	>7 L	Total
SBI Life Holders	1	1	76	60	113	251
LIC Life Holders	59	90	55	32	13	249
Total	60	91	131	92	126	500

Source : Primary data

Interpretation: 25.2 % of the respondents are in the salary bracket of above Rs.7 lakhs per annum and out of them 22.6% of them have opted for policy from SBI. This establishes a link between the earning potential and the customer preference on the choice of the Insurance provider.

TABLE 6 Location wise policy holders Urban and rural :

Location		
Urban	312	62.40
Rural	188	37.60
Total	500	100

Source : Primary data

Interpretation: Out of the total respondents 188 from the rural area – 37.60% and 312 from Urban area – 62.40%. Need more efforts to penetrate and increase the insurance density in rural area.

TABLE 7 Age group of the policy holders:

Age Group	Numbers	Percentage
11 – 20	8	1.60
21 – 30	61	12.20
31 – 40	247	49.40
41- 50	115	23.00
51 – 60	54	10.80
61 - 70	15	3.00
Total	500	100

Source : Primary data

Interpretation: 49.4% are in the age group of 31 ~ 40 years and 23 % in 41 ~ 50 years. After education and entering an employment the individuals need an instrument for life cover and savings as well. This prompts them to go in for Life Insurance Products.

TABLE 8 Marital Status of the respondents

Single	62	12.4%
Married	438	87.6%
Total	500	100

Source : Primary data

Interpretation: Out of the 500 respondents, 87.60% were married. They need family protection and investment for children education and marriage under the policy group of child plan.

TABLE 9 Gender of the policy holders :

Gender	Frequency	Percent
Male	317	63.40
Female	183	36.60
Total	500	100.00

Source : Primary data

Interpretation: Out of the total respondents 63.40% were male and 36.60% were female. There was no transgender among the respondents.

TABLE 10 Occupation of the policy holders:

Occupation details		Percent
Self employed	68	13.60
Government	113	22.60
Private	265	53.00
Business	20	4.00
Consultancy	1	0.20
Others	33	6.60
Total	500	100

Source : Primary data

Interpretation: 53% of the respondents were employed in private jobs, 22.60% in Government jobs and 13.60 % were self employed.

TABLE 11 Period of payment of the policy holders:

Periodicity of payment	Frequency	Percent
Monthly	55	11.00
Quarterly	106	21.20
Half Yearly	55	11.00
Annual	282	56.40
Single Premium	2	0.40
Total	500	100

Source : Primary data

Interpretation: 56.40% of the policy holders have chosen to pay yearly premium as the amounts are attractive compared to monthly, quarterly and half yearly payments. The savings in the operating expenses are passed on to the policy holders.

TABLE 12 Mode of payment by the policy holders :

Mode of payment	Frequency	Percent
Cash	135	27.00
Cheque	304	60.80
NEFT	14	2.80
ECS	37	7.40
Net Banking	7	1.40
NACH	1	0.20
SSS	2	0.40
Total	500	100

Source : Primary data

Interpretation: 60.80 respondents were making cheque payment for their premium amount followed by 27% in cash. Other mode of payments such as NEFT,NACH, Net banking are yet to be adopted in large numbers. 7.4 percent of the respondents pay by ECS, 2.8 percent by NEFT, 1.4 percent by Net banking followed by 0.4 percent by Salary Savings Scheme and 0.2 percent by NACH mode.

TABLE 13 Type policy among the respondents :

Type of Policy	No.of policy holders	Percent
Term	63	12.60
Endowment	189	37.80
Money back	106	21.20
ULIP	81	16.20
Pension Plan	21	4.20
Child Plan	40	8.00
Total	500	100

Source : Primary data

Interpretation: Endowment policies are the top selling product as it offers protection and growth in investment in a pack, 37.80, Money back polices account for 21.20 % of the respondents as it offers money at defined intervals of time, within the policy tenure. ULIP plans remain at 16.20% as the investments are associated with market risk and 12.60 % of the respondents chose term insurance which is an economic policy for long term investment and cover.

TABLE 14 Mode of awareness among the policy holders about the product:

Product awareness through	No of policy holders	Percent
Newspaper	4	0.80
Telephonic	1	0.20
Friends and relatives	36	7.20
Tax Consultant	6	1.20
Direct from Company(Agents)	272	54.40
TV advertisement	2	0.40
Self Interest	179	35.80
Total	500	100

Source: Primary data

Interpretation: Life Insurance agents play a vital role and remain an interface between the Insurance company and the policy holder. From the above table it can be seen that 54.40 % of the business is solicited by the agents and 35.80 % of the respondents have felt the genuine need and interest to have a cover and savings and opted to buy Life Insurance product. Referral purchases stay at 7.20% and other modes of promotion are for the visibility and since there are huge budgets available for advertisement they will continue to be in existence.

Findings from the study:

1.17.4 % of the respondents are coming under the category of Plus2 and below and 82.6 % of the respondents are diploma, degree, PG and professionally qualified. In the case of the LIC policy holders the level of education is distributed across from 10th to Professional qualified. But in the case of SBI policy holders professionally qualified are 84.06 %

2. 48% of the total respondents were found to be professionally qualified and having a high awareness level of the product and features.
3. In the case of LIC Policy holders the education levels are from 10 th standard to Professionals in a distributed pattern. The policy holders are seen across the board on the education front.
4. 49.4% are in the age group of 31 ~ 40 years and 23 % in 41 ~ 50 years
5. Premium payment by cheque is 60.8 % and by cash is 27%
6. Options like NEFT, Net banking, NACH are yet to be consumed *enmasse* by the public
7. Yearly payment by the policy holders is 56.4% and quarterly payments 21.2% ,half yearly and monthly at 11% each. (yearly premium is economical due to savings in administrative cost to the Insurer, passed on to the policy holders)
8. Awareness of the product created by the agents is 54.4% and out of self interest which is 35.8% as seen from Table 17. Other channels are not significant. Use - visibility to the public.
9. 53 % of the policy holders are employed in private organizations followed by 26% in Government services.
10. Endowment policy is ranking high at 37.8% followed by money back policy at 21.2%.
11. Definite link is established between the educational qualification and the policy holder preference with reference to the insurer, type of policy, mode of payment, preference of pension and child plans.

Recommendations :

1. Life insurance sector improvement will be from the increase in insurance density and insurance penetration. New products to be developed, including group policies to suit different categories.
2. The life insurers should conduct extensive market research so that insurance can become more affordable, meaningful and minimize the incidence of policy lapses.
3. The Life Insurance companies to reduce the operating expenditure and pass on the benefit to clientele.
4. Right type of distribution channel mix along with unbiased, efficient monitoring.
5. Create competitive advantages with Relationship management on a sustained manner.
6. Improve financial literacy and insurance literacy levels by various steps such as campaign, circulation of brochures etc., to the target customers. The prospects to be motivated by explaining their indirect participation in nation building by a portion of premium offered to infrastructure projects. Patriotic citizens could be converted by the above.
7. Lapsed policies are a national wastage. IRDA to give proper directions to all the life insurers to take corrective and preventive actions to minimize if not eliminate lapses in the life insurance business.
8. The agents / advisors should have a thorough background knowledge on the policy holder's financial condition and suggest the most affordable product to the customer to minimize the lapse in policies.
9. Special campaign for lapsed policy by LIC by waiving the penalty is under taken to revive the policies.
10. The reason for lapsed policies could be studied separately to initiate steps in that direction.
11. An exclusive study could be made on the lapsed policies, corrective and preventive action to be initiated to contain the problem as lapsed policies are a national waste.

Conclusion: Being in a competitive market with dynamism, the agents are the key who can convert a prospect to a policy holder. Agents should be given a good background information on the various aspects of the business, transparent discussion and quick settlement of claims, without any hassles. Data base sharing with the Agent / Advisor topographically is an essential pre requisite for the continuous policy sales and growth of the business. Referral customers are more likely to accept the Agent and offer to become policy holder as the word of mouth enhances the trust factor. Touch points are numerous and it has to be handled skillfully for conversion of the prospects. LIC , a big name in life insurance sector has adopted the approach of direct marketing and this has paid dividends. It is imperative that the insurance companies update all the details on their web site prior to launch in a language and manner easily understandable to the general public with illustration and ready charts.

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CORPORATE SOCIAL RESPONSIBILITY PRACTICES IN INDIA

Dr. B. Ramesh, Faculty of Commerce, Goa University, Goa

Ms. Savia Mendes, Research Scholar Goa University, Goa

ABSTRACT

The study examines the preparedness of mandatory Corporate Social Responsibility (CSR) on businesses. With the implementation of Companies Act 2013, section 135 companies have to spend 2% of their Net profit on CSR with effect from first April 2014. The paper examines the CSR spending pattern of the top-ranked companies rated by economic times (ET) for the year 2016. The article highlights the trend from the financial year 2014-15 onwards. The findings help companies to frame their future action plan towards CSR policy and implementation.

Keywords: *Schedule VII, net profit, spending.*

INTRODUCTION

Corporate Social Responsibility (CSR) entails social and moral responsibility of the businesses towards community and planet at large. This concept of CSR is not new to India. In India, old business houses such as Tata, Bajaj, Godrej, and Birla have been doing Philanthropic activities since pre-independence time. Today with the Companies Act 2013 it is no longer a voluntary Act but has been made mandatory with effect from 1st April 2014. This Act has incorporated section 135 which includes mandatory Corporate Social Responsibility for a particular class of companies in India. The companies covered under this law will have to form their CSR committee from among the board members. This Committee will have to frame CSR policies and announce, execute and monitor their CSR activities. The paper examines the CSR spending pattern of the top-ranked companies rated by economic times (ET) for the year 2016. The study explores the preparedness of mandatory CSR on businesses. If Companies fail to do so, penalties will result. The paper highlights the trend from the financial year 2014-15 onwards. The findings will help companies to frame their future action plan towards CSR policy and implementation.

LITERATURE REVIEW

Bhattacharyya and Chaturvedi (2012) stated that mandatory CSR would affect the business's plans and companies who have already engaged in these areas will get a high foundation or bond with the society. **Sunita and Rajbir (2013)** found that environment dimension emerged as an essential factor which means that a company's product should be eco-friendly, reduce pollution and waste management. The economic dimension emerged as the least important factor, which suggests that the companies should not presume that CSR is a costly concept or that CSR policies would have an adverse impact on the company's economic performance. **Bhan (2014)** reveals that the government should clarify on tax breaks to companies on mandatory CSR spends if the industry is to partner in development. He feels that the tax implications of mandatory CSR spending have many faults. **Hema and Datkhile (2014)** assume that companies have an excellent opportunity to return to society under the Companies Act 2013. However, the present provisions are creating

more confusion. Hence it will be a burden on the companies. So it is better for Government to set up a voluntary regulatory. **Singh and Verma(2014)** Corporate Social Responsibility (CSR) earlier applied to corporate philanthropy and has been in practice in India since ages. However, philanthropy in globalized and modern India does not solve the purpose in quantity and quality. With the induction of new Company act 2013, India became the first country in the world to have legislation for mandatory CSR spending. Hence, the gap between poor and rich will reduce.**Thukral and Pahuja (2015)** this paper studies whether TCS, Aditya Birla NUVA, and Reliance foundation. Here the companies fail to realize that CSR has a broad scope and restricting in education alone is not enough. **Carroll (2015)** describes the golden year of CSR regardless of how it was mounted, the future of CSR is always relevant to consider. One way to examine the future of CSR and its related concepts is to think about three distinct future scenarios that could play out over the coming decade. Gloomy scenario- disappear Hopeful scenario- growing commitment and progress, Probable scenario- focus and rule business. **Rossow (2015)** quotes that India's development needs are immense. The country has a host of the world's most prominent social problems, often at massive scale. The new corporate social responsibility terms included in the Companies Act 2013 will increase the level of CSR giving in India.

HIGHLIGHTS OF NEW COMPANY ACT 2013(SECTION 135): CORPORATE SOCIAL RESPONSIBILITY

- All the businesses with a turnover of Rs. 1,000 crore and more – or a net worth of Rs.500 crore and more or net profit of Rs.5 crore and more – will have to spend at least two percent of their three-year average net profit every year on CSR activities, and report the reason for spending or non-expenditure Section 135(1).
- The institutional coverage is Indian Companies and foreign companies operating in India.
- The activities undertaken by conducting CSR can be carried out through a registered society or trust/ NGO or a Section 8 Company or company self under the Companies Act. However, the implementing partner should have three years track record.
- Nature of expenditure incurred on specified activities that are carried out in India will qualify as CSR expenditure. Expenses incurred in undertaking an ordinary course of business will not form a part of the CSR spending. Any investment incurred in providing such training up to a ceiling of five percent in one financial year is sanctioned under the CSR budget.
- Companies need to spend CSR money in project mode with pre-defined indicators, budget, duration, etc. It is mandatory for businesses to disclose their CSR Policy, programs/projects undertaken and amount spent in their report and the CSR Rules provide for a separate format. The report containing details of such activities and CSR policies have to be made available on the company's website for informational purposes.

THE ACTIVITIES WHICH MAY BE INCLUDED BY BUSINESSES IN THEIR CSR POLICIES ACCORDING TO SCHEDULE VII

- ✓ eradicating extreme hunger and poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;

- ✓ promotion of education; including special education and employment enhancing vocation skills especially among children, woman, elderly and the differently abled and livelihood enhancement projects;
- ✓ promoting gender equality and empowering women; setting up homes and hostels for women and orphans, setting up of old age homes, day care centers, and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- ✓ ensuring environmental sustainability ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining the quality of soil, air, and water;
- ✓ protection of national heritage, art, and culture including restoration of buildings and sites of historical importance and works of art; setting up of public libraries; promotion and development of traditional arts and handicrafts;
- ✓ measures for the benefit of armed forces veterans, war widows, and their dependents;
- ✓ training to promote rural sports, nationally recognized sports, and Paralympic sports and Olympic sports;
- ✓ contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities, and women;
- ✓ contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- ✓ rural development projects;
- ✓ Slum development.
- ✓ Swach Bharat Abhiyan (PWC 2014)

The literature review does not make any appropriate remark on mandatory CSR spending trend. Thus this study will add a new dimension to the CSR in India.

The objectives of the study are as follows:

1. To examine the preparedness towards the New Companies Act 2013– Section 135.
2. To study the CSR initiatives taken by these top companies from the financial year 2014-15.
3. To empirically analysis the significant difference between the Actual and prescribed CSR concerning section 135.
4. To examine the spending pattern and priorities adopted by these companies.

RELEVANCE

This study will aid businesses to project where they stand and implement appropriate action to comply with the Act. This study will also help the lawmakers to take necessary measures against companies who do not adhere to the Act.

METHODOLOGY

The study is built on secondary data collected from reports disclosed online which is investigated with the help of average and percentage, presented in tables and graphs. The overall results indicate the CSR scores. The study covers ten top Companies rated by Economic Times (ET) for the year 2016. The annual reports with Net Profit from Financial Year (F.Y) 2011-12, 2012 -13, 2013- 14, 2014-15 and 2015-2016 are considered for the study (Appendix I). The calculations are based on two percent of their preceding three years Average Net Profit. The estimates are used to assess the difference between actual and specified CSR spending. Further prescribed CSR requirement for F.Y.2016-17 is calculated.

EMPIRICAL FINDINGS

As seen in **Table 1** Out of the ten top companies selected as sample for the study for 2014-15 only Reliance Industries limited has spent 143% on 2% CSR spending. The companies like Indian Oil Corporation Ltd, Hindustan Petroleum Corporation Ltd, Oil and Natural Gas Corporation Ltd., Tata Steel Ltd., And Tata Consultancy Services Ltd. has spent more than 50% but less than 2% of the prescribed CSR spending. The worst was State bank of India, Bharat Petroleum Corporation Ltd. and Rajesh Exports Ltd. who have spent less than 50% on specified CSR spending. Tata Motors Ltd. escaped on CSR as they incurred a loss for 2014-15. The companies spent a total of Rs. 1943.88 crore as against the prescribed amount of Rs. 2371.59 crore in F.Y. 2014-15. Thereby falling short of Rs 427.71 on an aggregate basis. The analysis reveals that these companies are not serious about their CSR initiatives.

Table 1 CSR for the financial year 2014-15				
Serial No.	Companies	Prescribed CSR for FY 2014-2015	Actual CSR Spent FY 2014-2015	Percentage on CSR Spent
1	Indian Oil Corporation Ltd.	167.33	113.79	68%
2	Reliance Industries Ltd.	532.35	760.58	143%
3	Tata Motors Ltd.	13.54	NIL	0%
4	State Bank of India	365.31	115.80	32%
5	Bharat Petroleum Corporation Ltd.	79.13	33.95	43%
6	Hindustan Petroleum Corporation Ltd	35.03	34.07	97%
7	Rajesh Exports Ltd.	3.34	N/A	0%
8	Oil and Natural Gas Corporation Ltd.	640.05	495.23	77%
9	Tata Steel Ltd.	184.75	171.46	93%
10	Tata Consultancy Services Ltd.	350.76	219	62%
Total (Amount in INR crore.)		2371.59	1943.88	82%

During the F.Y. 2015-16 four companies namely Indian Oil Corporation Ltd., Reliance Industries Ltd, Hindustan Petroleum Corporation Ltd and Tata Steel Ltd. have reported more than 2% over their prescribed CSR. The Companies like Petroleum Corporation Ltd., Oil and

Natural Gas Corporation Ltd. and Tata Consultancy Services Ltd. has spent more than 50% but less than 2% of the prescribed CSR spending. However, there has been an improvement as compared to 2014-15. The State Bank of India has improved but poorly performed towards CSR with only 39% of its total prescribed requirement. There has been an overall rise from 82% in 2014-15 to 84% in 2015-16 on CSR as seen in table 2. However, this cannot be an acceptable growth in CSR spending as companies are supposed to spend their entire prescribed amount on CSR.

The table also projects a total of Rs. 2634.96 on CSR for 2016-17.

Serial No.	Companies	Prescribed CSR for FY 2015-2016	Actual CSR Spent FY 2015-2016	Percentage on CSR Spend	Specified CSR for FY 2016-2017
1	Indian Oil Corporation Ltd.	135	156.68	116%	193.75
2	Reliance Industries Ltd.	557.13	651.57	117%	619.91
3	Tata Motors Ltd.	NIL	NIL	0%	NIL
4	State Bank of India	369.60	143.93	39%	328.41
5	Bharat Petroleum Corporation Ltd.	116	76.01	66%	160.1
6	Hindustan Petroleum Corporation Ltd	54.57	71.76	132%	83.78
7	Rajesh Exports Ltd.	7.30	N/A	0%	7.44
8	Oil and Natural Gas Corporation Ltd.	596.23	421.00	71%	569.13
9	Tata Steel Ltd.	166.56	213.24	128%	161.22
10	Tata Consultancy Services Ltd.	421.79	294.00	70%	511.22
Total (Amount in INR crore.)		2424.18	2028.19	84%	2634.96

Most of the companies have constituted their committees and framed their CSR policies. They have implemented their projects with their individual foundations, and some have taken help from NGO's as seen in table 3.

Serial No.	Companies	CSR policy as per the Companies Act 2013	CSR Committee	CSR Implementation
1	Indian Oil Corporation Ltd.	Yes	Yes	Own Foundation, NGO
2	Reliance Industries Ltd.	Yes	Yes	Own Foundation, NGO
3	Tata Motors Ltd.	Yes	Yes	Own Foundation
4	State Bank of India	Yes	Yes	Own Foundation
5	Bharat Petroleum Corporation Ltd.	Yes	Yes	Own Foundation, NGO

6	Hindustan Petroleum Corporation Ltd	Yes	Yes	NGO
7	Rajesh Exports Ltd.	Yes	Not available	Not available
8	Oil and Natural Gas Corporation Ltd.	Yes	Yes	Own Foundation, NGO
9	Tata Steel Ltd.	Yes	Yes	Own Foundation
10	Tata Consultancy Services Ltd.	Not available	Not available	Own Foundation

The list of CSR activities reported by the companies can be seen in table 4. The CSR primary focus has been Health, Education, and Environment. In fact, the schedule VII of the Companies Act lists out a set of activities that firms can include in their CSR activities.

TABLE 4	
Companies	CSR activities reported by the top Companies
Indian Oil Corporation Ltd.	Health care and sanitation, safe drinking water, women empowerment, education, environment.
Reliance Industries Ltd.	Rural transformation, health care, education, protection of natural heritage, art and culture, disaster management.
Tata Motors Ltd.	Health, employability education, environment
State Bank of India	Donation to PMRY Fund.
Bharat Petroleum Corporation Ltd.	Education, water conservation, skill development, health, hygiene and community development.
Hindustan Petroleum Corporation Ltd	Childcare, education, healthcare, skill development, sports, environment and community development.
Rajesh Exports Ltd.	Health, education, and environment
Oil and Natural Gas Corporation Ltd.	Healthcare, education, environment, rural development.
Tata Steel Ltd.	Education, health, livelihood, sports, rural development, environment, disaster relief, Ethnicity support to technology incubators.
Tata Consultancy Services Ltd.	Education, skill building, health, and environment

Conclusion

There has been an overall increase in CSR spending by companies for 2015-16 as compared to 2014-15. However, this expenditure is not adequate to the prescribed amount on CSR. The companies are facing the similar challenge as they did in implementing CSR in the first year. Some companies listed out the reason for not spending on CSR, stating they are in a transition phase and projects have an extended gestation period. In some cases, suitable projects could not have been implemented, whereas some quoted that they could not find appropriate agencies to

partner for implementation. Whereas some did not even give a reason for why they did not spend the amount. The companies cannot project such a casual approach towards CSR. The Government hopes to take a severe action against such enterprises. If companies contravene the Act, the firm is liable to punishment with fine of minimum Rupees twenty-five thousand or more. Besides, imprisonment of businesses' personnel who is at fault for three years **Arora and Sikawar (2016)**. Thus, with the government intervention, the real spirit of CSR could be achieved if companies put in some serious effort to spend hundred percentage on prescribed CSR spending.

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Appendix I						
Net profit In Rs. Crore						
Serial No.	Top ET ranking Companies for the year 2016	F.Y 2015 - 2016	F.Y 2014 - 2015	F.Y 2013- 2014	F.Y 2012- 2013	F.Y 2011- 2012
1	Indian Oil Corporation Ltd.	14452.27	6334.76	8275.01	5641.5	11183.34
2	Reliance Industries Ltd.	35701	29468	27818	26284	25750
3	Tata Motors Ltd.	513.60	-3570.97	-485.94	591.13	1926.27
4	State Bank of India	13774	19313.96	16173.89	19950.89	18504.59
5	Bharat Petroleum Corporation Ltd.	10651.18	7415.51	5948.98	4035.69	1884.17
6	Hindustan Petroleum Corporation Ltd	5743	4149.65	2673.88	1361.17	1219.73
7	Rajesh Exports	510	332.82	273.27	489.62	431.88
8	Oil and Natural Gas Corporation Ltd.	26509.72	26939.14	31920.83	30574.89	33511.57
9	Tata Steel Ltd.	7709.07	6618.04	9855.26	8511.13	9346.34
10	Tata Consultancy Services Ltd.	29116.64	24021.59	23544.47	15703.18	13366.33

PENETRATION OF BANK BRANCH NETWORKS IN INDIA

Dr. V. Darling Selvi, Assistant Professor of Commerce, Rani Anna Government College for Women, Tirunelveli -8

Abstract

The Banks are the main participants of the financial system in India. In spite of the dynamic changes, banks continue to maintain and perform their primary role accepting deposits and lending funds from these deposits by their expansion of branches. The present study highlights the branch expansion of banks both area wise and region wise. The secondary data collected from various records were interpreted with the help of trend analysis, correlation analysis, ANOVA, t test and regression model summary. It is concluded from the study there is significant differences in the penetration of banking sector all through India and its efficient operation will pave the way to people across the walk to get easy accessibility and the study recommends that by opening more number of branches in rural area and by expanding banking operations in North-Eastern Region, the Indian Banking industry can excel more for the benefit of the society and to build up the national economy.

Key Words: Area, Banks, Branch, Penetration, Region, Trend

Introduction

Banking system plays a very significant role in the economy of a country. It is central to a nation's economy as it caters to the needs of credit for all the sections of the society. Money-lending in one form or the other has evolved along with the history of mankind. Even in the ancient times, there are references to the money-lenders, in the form of sahumars and zamindars who lend money by mortgaging the land property of the borrowers. Towards the beginning of the 20 century, with the onset of modern industry in our country, the need for government-regulated banking system was felt. The British government began to pay attention towards the need for an organized banking sector in the country and the Reserve Bank of India was set up to regulate the formal banking sector in the country. Ever since they were nationalized in 1969, banks have been playing a major role in the socio-economic life of the country. They have to act not only as purveyors of credit, but also as harbingers of social and economic development through a variety of enterprises, many of which may tiny and yet capable of generating productive energies. India is not only the world's largest independent democracy, but also an emerging economic giant. Without a sound and effective banking system, no country can have a healthy economy. For the past three decades, India's banking system has several outstanding achievements to its credit. It is no longer confined to only the metropolitans, but has reached even to the remote corners of the country. This is one of the reasons of India's growth process.

Bank branch networks

The latest government report on financial inclusion 'Overview and Progress on Financial Inclusion' says that according to the 2011 census among 246,692,667 households, the penetration of banking services is 58.7%, at 144,814,788 households. In 2015, the report says that out of a total number of 21.22 crore surveyed households, bank accounts had been opened for only 99.99 % households under the Pradhan Mantri Jan Dhan Yojana. On bank branch networks, it informs that as on March 31, 2015, the number of scheduled commercial bank

branches across the country stood at 125,857, with public sector banks (PSBs) having 85,895 branches, and other private sector banks, foreign banks and regional rural banks having 39,962 branches. In rural areas, the number of branches stood at 48,557 and in the rest of the areas like semi-urban, urban and metropolitan, the number was 77,300. According to World Bank data, the number of bank branches per 100,000 adults in India was 9 and 13 in 2004 and 2014, respectively. This is broadly in line with the global average of 9.1 and 13.4 branches in 2004 and 2014, respectively. But India has got a long way to go to catch up with many developed countries.

ATM penetration:

On ATMs, the Reserve Bank of India (RBI) data say that as of August 2016, there were 202,801 ATMs in the country, 99,150 off-site ATMs and 103,651 on-site ones. The World Bank data show that the number of ATMs per 100,000 adults in India was 18.07 in 2014. This is way fewer than the global average of 43.9 ATMs. The global average was 18 ATMs in 2004. The RBI data say that the total number debit cards issued stood at 712,465,787 and credit cards were at 26,378,940. The RBI data also inform that the total number of point of sale (POS) machines stood at 1,461,972 online machines and 300 offline.

Performance of Banks in India

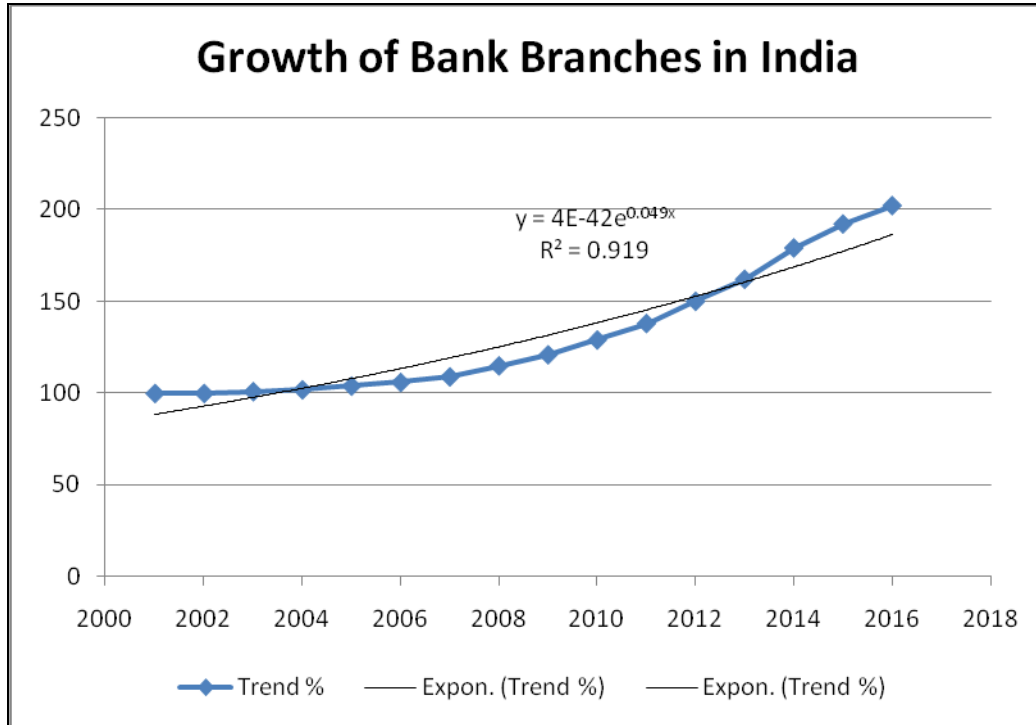
- Credit off-take has been surging ahead over the past decade, aided by strong economic growth, rising disposable incomes, increasing consumerism & easier access to credit In March FY16, total credit extended surged to USD1016 billion.
- Credit to non-food industries increased by 9.06 per cent reaching to USD1000 billion in March FY16, from USD983 billion during the previous financial year.
- Demand has grown for both corporate & retail loans; particularly the services, real estate, consumer durables & agriculture allied sectors have led the growth in credit.
- As of November 2016, the outstanding credit to NBFCs stood at USD 55.27 billion, growing at a rate of 25 per cent on Y-o-Y basis.
- Bank credit granted to Non-banking Finance Companies (NBFCs) has touched the highest in 3 years.
- During FY06–171, deposits grew at a CAGR of 12.03 per cent and reached 1.54 trillion by FY171.
- Strong growth in savings amid rising disposable income levels are the major factors influencing deposit growth.
- Access to banking system has also improved over the years due to persistent government efforts to promote banking-technology and promote expansion in unbanked and non-metropolitan regions.
- At the same time India's banking sector has remained stable despite global upheavals, thereby retaining public confidence over the years.
- Deposits under Pradhan Mantri Jan Dhan Yojana (PMJDY), have also increased. As on November 9, 2016, USD6,971.68 million were deposited, while 255.1 million accounts were opened Karnataka Bank has been awarded 2 Indian Banking Association awards for the best use of digital & channels technology and for the best financial inclusion initiatives in small bank category.

- Public sector bank Vijaya Bank would be raising US\$148.74 million from the market. The bank is targeting CRAR (Credit Adequacy Ratio) of 13 per cent plus by the end of FY18.
- Total banking sector assets have increased at a CAGR of 7.61 per cent to USD1.957 billion during FY13–16 FY13-16 saw growth in assets of banks across sectors Assets of public sector banks, which account for more than 70 per cent of the total banking assets, grew at a CAGR of 5 per cent Private sector expanded at an CAGR of 13 per cent, while foreign banks posted a growth of 14 per cent
- Corporate demand for bank loans have grown due to continued infrastructure investments & due to other policy decisions such as reducing oil subsidies, issuing of telecom spectrum licenses & the proposed abolition of penalty on loan prepayment
- Total assets of Public Sector Banks amounted to USD1957.03 billion in FY16
- During FY06–171, total money supply in the country increased at a CAGR of 9.92 per cent, reaching to USD1.8 trillion by the June end 2016.
- Narrow money supply (M1) grew at a CAGR of 7.08 per cent while its components currency with public & deposit money of the public, grew at a CAGR of 10.1 per cent & 5.1 per cent, respectively, during FY06–16 & stood at USD397.37 billion by the end of June 2016.
- During FY06-16, broad money supply (M2) grew at a CAGR of 12.2 per cent reaching to USD415.7 billion in June 2016.
- Money supply (M3) grew at a CAGR of 15.7 per cent, during FY06-16, and stood at USD1.78 trillion by the end of June 2016.
- During FY06–16, highest average growth in time deposits was witnessed at a rate of 12.41 per cent, with the value of time deposits reaching to USD1.38 trillion in June 2016.

Penetration of Indian Banking Sector

Banking plays a vital role in the growth and development of developing countries like India. Banks lubricate the entire monetary and financial system and ensure smooth operations. With the initiation of the processes of liberalization and globalization of the economy, the financial sector, particularly the commercial banks, not only in urban areas, but also in rural areas were the first to experience the winds of change. However, these changes were experienced more in urban areas than in rural areas. In India, more than 50 percent of the population is based in rural areas. Though the Indian banks are penetrating the rural areas to meet the rural customers' needs, but still, they have not achieved the set target. The number of bank offices in India is gradually increasing which has reached a height of 102 percent increase in the year 2016 with an average of 32 percent increase over the period from 2001 to 2016. Among the total number of bank offices, the number of offices situated in the rural area is more which constitute 41.66 percent, which is followed by the semi urban area to the extent of 24.41 percent, urban area consists of 17.92 percent and the metropolitan area to the tune of 16.01 percent. Correlation for the development of branches in rural areas over the years from 2001 to 2016 is 0.77, the same semi urban areas is 0.94, for Urban area, it is 0.98, for Metropolitan area 0.99 and for the total branches it is 0.94. The trend line is positive which has an exponential growth rate of 4.9 percent

and coefficient of determination of 0.92. Hence it is inferred that the bank offices in rural areas are gaining much popularity and wide openings.



H₀: The penetration of banking services do not differ among different areas of India

Table 2 t test for the Number of Bank Offices in India

Variables	Mean	Std. Deviation	t	Sig. (2-tailed)	95% Confidence Interval of the Difference	
					Lower	Upper
Rural	35415	6707	21.12	.000	31841	38989
Semi urban	21606	7480	11.55	.000	17621	25592
Metropolitan	14114	4640	12.17	.000	11641	16586
Urban	15713	4762	13.20	.000	13175	18250

Source: Derived

As per t test it is noted that though the growth is significant for all the four cases, individually the highly significant penetration is seen in the rural area (21.12) which is followed by Urban area (13.20), Metropolitan area (12.17) and then Semi urban area (11.55). The other parameters like mean and standard deviation also prove the same. The difference between lower and upper level of interval is also notable more in case of Semi urban area and is less in the case of Rural area.

Table 3 One way ANOVA for the penetration of Indian Banking Sector

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	335.109	4	83.777	188.421	.000
Residual	4.891	11	.445		
Total	340.000	15			

Source: Derived

As per one way ANOVA test, it is indicated that there is highly significant difference among the penetration of banking branches in various areas like rural, urban, semi urban and metropolitan areas over the years under study from 2001-2015. The value of F ratio is 188.421 with the p value as .000 signifying a high significance. Hence, it is concluded that the significance is highly ascertained over the years.

Table 4 Regression Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.993	.986	.980	.66680

Source: Derived

As per the regression model summary, it is noted that there is perfect positive correlation and the coefficient of correlation determination (R^2) is .986 with the Std. Error of the Estimate is 0.67. The R^2 value indicates how much of the total variation in the dependent variable can be explained by the independent variable. In this case, 98.6% can be explained, which is very large and valid.

Region wise Expansion of Commercial Banks in India

The post nationalization phase significantly improved the branch network of the banks and the public sector banks in particular moved into the interiors significantly increasing the branch network. There are considerable regional variations existed in the banking coverage by SCBs in India. The regions are classified into Northern Region, North-Eastern Region, Eastern Region, Central Region, Western Region and Southern Region. Region wise, Southern Region has got more number of branches which constitute 27.88 percent of total, which is followed by Central Region (19.92%), Northern Region (17.25%), Eastern Region (16.75%), Western Region (15.53%) and North-Eastern Region (2.67%). The trend analysis shows that the total number of branches has constantly increasing and has its peak in the year 2015 to the tune of 93 percent with an average growth rate of 27 percent. Correlation for the development of branches in Northern Region is 0.93, North-Eastern Region (0.89), Eastern Region (0.91), Central Region (0.91), Western Region (0.93), Southern Region (0.93) and the total number of branches (0.92). Hence it is inferred that the bank offices in North-Eastern Region need more openings.

H_0 : The penetration of banking services do not differ among different regions of India

Table 6 t test for the Region Wise Bank Offices in India

Variables	Mean	Std. Deviation	t	Sig. (2-tailed)	95% Confidence Interval of the Difference	
					Lower	Upper
Northern	14795	4262	13.44	.000	12435	17155
North Eastern	2286	466	18.98	.000	2027	2544
Eastern	14366	2908	19.14	.000	12756	15976
Central	17083	4056	16.31	.000	14837	19329
Western	13315	3135	16.45	.000	11579	15051
Southern	23902	5939	15.59	.000	20613	27191

Source: Derived

As per t test it is noted that though the growth is significant for all the six regions, individually the highly significant penetration is seen in the Eastern region (19.14) which is followed by North Eastern region (18.98), Western region (16.45), Central region (16.31), Southern region (15.59) and Northern region (13.44). The mean is high for Southern region (23902) and is low for North Eastern region (2286). The other parameter standard deviation also proves the same. The difference between lower and upper level of interval is also notable more in case of Southern region and is less in the case of North Eastern region. Hence it is ascertained that southern region is more blessed with more bank branches outlets in comparison with other regions.

Table 7 One way ANOVA for the penetration of Indian Banking Sector

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	278.04	6	46.34	189.11	.000
Residual	1.96	8	.245		
Total	280.00	14			

Source: Derived

As per one way ANOVA test, it is indicated that there is highly significant difference among the penetration of banking branches in various areas like Northern, North Eastern, Eastern, Central, Western and Southern regions over the years under study from 2001-2015. The value of F ratio is 189.11 with the p value as .000 signifying a high significance. Hence, it is concluded that the significance is highly ascertained over the years among various regions in India.

Table 8 Regression Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.996	.993	.988	.49502

Source: Derived

This regression model provides the R and R^2 values. The R value represents the simple correlation and is 0.998, which indicates a high degree of correlation. The R^2 value (0.996) indicates how much of the total variation in the dependent variable can be explained by the

independent variable. In this case, 99.6% can be explained, which is very large and valid. The Standard Error of the Estimate is 0.31.

Conclusion

The financial market in India is under major transformation with several policy initiatives to bring more transparency in financial transaction and also efforts to offer the banking services to people in far flung areas. This would help creating positive business sentiments and improved consumer confidence to prop-up the country's economic growth wherein the India's banking sector is likely to play a key role in meeting credit needs of various sectors of the economy. The present study reveals that the number of bank offices in India is gradually increasing which has reached a height of 102 percent increase in the year 2016 with an average of 32 percent increase over the period from 2001 to 2016, concentration of banks in rural area (41.66%), semi urban area (24.41%), urban area (17.92 %) and metropolitan area (16.01%). As per t test it is noted that though the growth is significant for all the four cases, individually the highly significant penetration is seen in the rural area (21.12) which is followed by Urban area (13.20), Metropolitan area (12.17) and then Semi urban area (11.55). The value of F ratio is 188.421 with the p value as .000 signifying a high significance. As per regression model summary, it is noted that there is perfect positive correlation and the coefficient of correlation determination (R^2) is .986 with the Std. Error of the Estimate is 0.67. Hence, it is concluded that the branch expansion is highly significant over the years under study.

Region wise, Southern Region has got more number of branches which constitute 27.88 percent of total, which is followed by Central Region (19.92%), Northern Region (17.25%), Eastern Region (16.75%), Western Region (15.53%) and North-Eastern Region (2.67%). As per t test it is noted that though the growth is significant for all the six regions, individually the highly significant penetration is seen in the Eastern region (19.14) which is followed by North Eastern region (18.98), Western region (16.45), Central region (16.31), Southern region (15.59) and Northern region (13.44). The mean is high for Southern region (23902) and is low for North Eastern region (2286). Hence it is ascertained that southern region is more blessed with more bank branches outlets in comparison with other regions and it is inferred that the bank offices in North-Eastern Region need more openings. Hence, by opening more number of branches in rural area and by expanding banking operations in North-Eastern Region, the Indian Banking industry can excel more for the benefit of the society and to build up the national economy.

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CHANGE MANAGEMENT IN THE INFORMATION TECHNOLOGY SERVICES INDUSTRY

N. Senthil Kumar, Research Scholar, Department of Management Studies,
Manonmaniam Sundaranar University, Abishekapatti, Tirunelveli-627 012

Dr. S. Narayana Rajan, Head, Department of Business Administration,
Aditanar College of Arts & Science, Virapandianpatnam, Tiruchendur-628 216

ABSTRACT

In the rapidly changing business environment, close attention towards the business environment is required to sustain in the competitive world. In order to be successful in the business, managing the changes effectively is essential. This research is undertaken to study the change management in the Information Technology (IT) services industry in the Chennai city. The findings indicate that the changes in the new learning, location change, and increased workload are the major challenges faced by the IT services employees. The primary reasons for resistance to change are problem in new learning, less job security, and increase in working hours. The change management techniques can be introduced in order to improve the involvement of the employees during the change process, providing better job security, and re-skilling the employees to adopt the ever-changing technological advancement.

Keywords: *Change Management, Information Technology (IT) Services industry*

INTRODUCTION

The Information Technology (IT) industry is one of the vibrant sectors of Indian economy. The IT industry accounts for more than 9.3 percent of the Gross Domestic Product (GDP) according to the Ministry of Electronics and Information Technology (MeitY). The India Brand Equity Foundation (IBEF) Report on IT and ITeS Industry in India state that, the revenue from the IT industry in the financial year 2016-17 was around Rs. 10 lakh crore. According to the National Association of Software and Services Companies (NASSCOM) Jobs and Skills Report, the IT industry is the largest private sector in India with 39 lakh employees. The IT industry in India is broadly classified into four segments namely, IT Services (ITS), Business Process Management (BPM), Engineering and R&D (ER&D), and Software Products (SPD) (NASSCOM).

Based on the Madras Chamber of Commerce and Industry (MCCI) Report, Tamil Nadu is ranked second in the software exports after Karnataka. The IT exports from Tamil Nadu accounts to Rs. One lakh crore in the financial year 2016-17; the direct employment in the IT industry in Tamil Nadu accounts to four lakh professionals and indirect employment accounts to 7,50,000 employees (IBEF).

In the dynamic business environment stability and continuity of the business operations are not possible. In order to survive, the organisations must have the ability to identify and adapt to changes (David, 2011). Organisational change is defined as the adoption of a new idea or behaviour which is new to the organisation (Daft, 1982). The institutional change is defined “as

the difference in form, quality, or state over time in an institution” (Van de Ven and Hargrave, 2004, p. 261). Change is inevitable similarly, resistance to change is also inevitable (Baker, 1989). In order to successfully manage change in the organisation, the manager must know what to change, why to change, when to change, and how to change (Gupta, 1998).

REVIEW OF LITERATURE

Baker (1989) stated that, in order to manage change effectively, the manager must understand the reaction of the employees towards the change efforts such as uneasiness, fear of unknown, decreased performance, and lack of support. It is also the duty of the manager to provide employees time to adjust to the change and provide clear information about the progress made after the change efforts.

According to Conner (1992), resistance to change in the organisation is very common during the change process. Employees perception towards the change process determine the resistance to change. Employees must have the ability and willingness to adapt to change. Drazin, Glynn, and Kazanjian (2004) stated that the employee’s resistance in the organisation during the change process could be handled with the help of rewards system and by providing career advancement opportunities.

Based on the observations of Poole (2004) successful change efforts require strong commitment and emotional involvement of the employees. Because whenever a change occurs in an organisation a considerable energy and time of employees are sacrificed. The organisational change results in modification of individual behaviour such as job performance and changes in individual characteristics such as job knowledge, job attitude, and job motivation. The major sources of individual change in the organisation are socialisation, training, and organisational change programmes (Woodman and Dewett, 2004).

Erkmen (2006) identified that communication is important for an effective implementation of organisational change. Poorly managed communication regarding change process results in rumours and resistance to change in the organisation. Hakonsson, Klaas, and Corroll (2013) stated that the leaders should see themselves as designers of change. Change in the short run may lead to a performance decline, managers should continue with their efforts to maintain a long-term focus.

MANAGING CHANGE MODEL

Managing Change Questionnaire (MCQ) was developed by W. Warner Burke Associates, Inc., organisation consultants. MCQ is a knowledge-based instrument designed with the help of management principles and concepts derived from various disciplines. The dimensions of the MCQ are based on the theoretical models, research studies, and consulting experience (Church, Waclawski, and Burke, 1996).

Figure 1: Managing Change Model

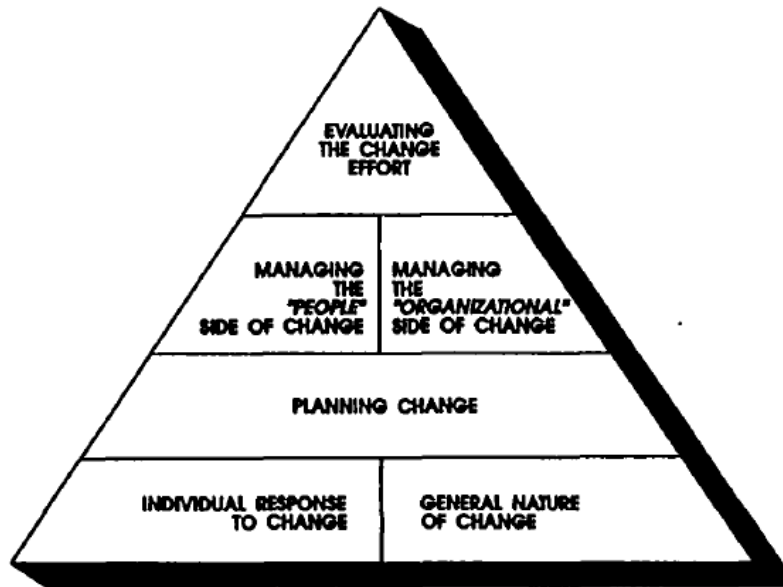


Figure 1. Managing Change Model. Adapted from “OD Practitioners as Facilitators of Change”, by Allan H. Church, Janine Waclawski, and W. Warner Burke, 1996, *Group & Organization Management*, 21, p 33. Adapted with permission.

The managing change model consists of six dimensions: individual response to change, general nature of change, planning change, managing the ‘people’ side of change, managing the ‘organisational’ side of change, and evaluating the change effort.

OBJECTIVES

The objectives of this study are as follows:

- (1) To find out the changes faced by the IT services employees.
- (2) To examine the reasons for resistance to change in the organisation.
- (3) To identify the methods used for dealing resistance to change in the organisation.
- (4) To study the relationship between the managing change dimensions with respect to gender and previous work experience.

METHODOLOGY

In this study, questionnaire was used to collect data. Judgement sampling method a type of non-probability sampling design was used in this study. A total of 186 IT services companies were registered with the NASSCOM. Among the top 20 players in the IT services industry, the best five companies were considered for the study. The sample size for the study was determined with the help of the formula for proportions $\left(n = \frac{N}{1+N(e)^2}\right)$ provided by (Israel, 1992). Based on this formula, the sample size was determined as 400.

A total of 800 questionnaires were issued to a sample of IT services employees from the top five NASSCOM membership companies located in Chennai. In total 576 IT employees returned the completed questionnaires, yielding a response rate of 71 percent. After eliminating the incomplete responses, 400 questionnaires were finalised for the study. Statistical techniques such a mean, Garrett ranking, and independent sample t-test were used to analyse the data collected. The questionnaire was developed based on the six dimensions of managing change model: (a) individual response to change, (b) general nature of change, (c) planning change, (d) managing the 'people' side of change, (e) managing the 'organisational' side of change, and (f) evaluating the change effort. The researcher obtained permission to adapt the managing change model from Prof. W. Warner Burke, Teachers College, Columbia University, New York via email. The reliability of the questionnaire was calculated using Cronbach's alpha. The overall Cronbach's alpha value of the questionnaire was .95 with 95% confidence interval.

RESULTS

Demographic Characteristics of the Respondents

Regarding the age of the respondents, 52.2 percent of the sample belongs to the age group of 21-25 years. Further 35.3 percent of the respondents belong to the age group between 26 and 30 years, 10.5 percent of the respondents indicated that they are 31-35 years. Only two percent of the respondents are above 36 years. This shows that the IT services industry mainly consist of a good number of younger people. The majority 58.5 percent of the respondents are male, and 41.5 percent female. Many of the female IT services workers quit their job after marriage to take care of the family. With respect to previous work experience, 54.3 percent of the respondents from the IT services industry are not having any previous work experience, while the remaining 45.7 percent had previous work experience. The IT services industry hire fresh graduates to reduce the cost of labour and the attrition rate.

Changes Faced by the IT Services Employees

To find out the changes faced by the IT services employees the following variables were included: location change, new learning, increased workload, more responsibility, team transfer, and importance to younger employees. The Garrett score and the rank of the changes faced by the IT services employees were presented in Table 1.

Table 1: Changes Faced by the IT Services Employees

Changes Faced	Sum of Garrett Score	Mean	Rank
New learning	24599	61.50	I
Location change	23191	57.98	II
Increased workload	21301	53.25	III
More responsibility	20474	51.19	IV
Team transfer	17059	42.65	V
Importance to younger employees	13376	33.44	VI

It is inferred from the Table 1 that, new learning was ranked first followed by location change, increased workload, more responsibility, team transfer, and importance to younger employees. The new learning in the IT services industry indicates skilling and re-skilling of the employees for the future requirements.

Reasons for Resistance to Change

The respondents were asked to rank the reasons for resistance to change during the change process in their organisation. The Garrett score and the rank of the reasons for resistance to change were portrayed in Table 2.

Table 2: Reasons for Resistance to Change

Reasons for Resistance to Change	Sum of Garrett Score	Mean	Rank
New learning	25986	64.97	I
Need for security	23584	58.96	II
More work	23151	57.88	III
Organisational politics	22140	55.35	IV
Fear of failure	21118	52.80	V
Loss of status	19553	48.88	VI
Lack of information	19273	48.18	VII
Lack of resources	17321	43.30	VIII
Lack of involvement	14960	37.40	IX
Lack of reward	13022	32.56	X

The Table 2 shows that new learning was ranked as the topmost reason for resistance to change in the organisation. Resistances are common in any learning process because employees are habitual in doing a process. Also, the new learning process will consume extra energy and time of the employees.

Methods Used for Dealing Resistance to Change

Various methods are used in the IT services industry in order to manage the resistance to change. Table 3 shows the Garrett score and the rank of methods used in the IT services industry for dealing resistance to change.

Table 3: Methods Used for Dealing Resistance to Change

Methods Used for Dealing Resistance to Change	Sum of Garrett Score	Mean	Rank
Involvement of employees	25956	64.89	I
Job security	23184	57.96	II
Employee training	22454	56.14	III

Effective grievance system	20243	50.61	IV
Use of informal group forces	18465	46.16	V
Employees recognition	17700	44.25	VI
Promotion	17436	43.59	VII
Financial incentives	14689	36.72	VIII

It is inferred from the Table 3 that, the involvement of employees was ranked first, followed by job security, employee training, and effective grievance system. The IT services employees involvement towards new learning could be improved with the help of simplified training programmes, encouragement of the employees, and the motivation of the managers.

Managing Change Dimensions and Gender

An independent sample t-test was carried out to analyse the significant difference between the managing change dimensions and gender of the respondents. The t-test values and the significant values are portrayed in Table 4.

H₀₁: There is no significant difference between the managing change dimensions in relation to gender of the respondents.

Table 4: Managing Change Dimensions and Gender

Dimensions	Male		Female		t-test for Equality of Means	
	Mean	Std. Deviation	Mean	Std. Deviation	t	Sig.
Individual Response to Change	3.68	0.56	3.65	0.55	0.58	.565
General Nature of Change	3.61	0.56	3.61	0.51	0.06	.954
Planning Change	3.68	0.57	3.71	0.59	0.45	.652
Managing the People Side of Change	3.66	0.60	3.69	0.60	0.54	.589
Managing the Organisational Side of Change	3.68	0.59	3.76	0.59	1.41	.159
Evaluating the Change Effort	3.72	0.61	3.74	0.63	0.28	.777

Male (N = 234), Female (N = 166)
df = 398

Table 4 reveals that the significant values are greater than .05. The results indicate that significant differences are not found between the managing change dimensions and the gender of the respondents. Therefore, the hypothesis H₀₁ was accepted.

Managing Change Dimensions and Previous Work Experience

An independent sample t-test was carried out to examine the significant difference between the managing change dimensions and previous work experience. The results of the t-

test to compare the managing change dimensions and previous work experience were exhibited in Table 5.

H₀₂: There is no significant difference between the managing change dimensions in relation to previous work experience of the respondents.

Table 5: Managing Change Dimensions and Previous Work Experience

Dimensions	With Previous Work Experience		With No Previous Work Experience		t-test for Equality of Means	
	Mean	Std. Deviation	Mean	Std. Deviation	t	Sig.
Individual Response to Change	3.67	0.56	3.66	0.55	0.04	.969
General Nature of Change	3.59	0.56	3.63	0.52	0.65	.513
Planning Change	3.73	0.53	3.66	0.61	1.20	.230
Managing the People Side of Change	3.67	0.57	3.68	0.62	0.17	.865
Managing the Organisational Side of Change	3.66	0.57	3.76	0.61	1.63	.103
Evaluating the Change Effort	3.72	0.65	3.74	0.59	0.42	.677

With previous work experience (N = 183), with no previous work experience (N = 217)
df = 398

The Table 5 shows that the significant values are greater than .05 for the managing change dimensions and previous work experience. This shows that there is no significant difference between the managing change dimensions and the previous work experience of the IT services employees. Therefore, the hypothesis H₀₂ was accepted.

DISCUSSION

This research is carried out to study the change management in the IT services industry. The main objectives of the study are: to find out the changes faced by the IT services employees, analyse the reasons for resistance, and to identify the methods used for dealing the resistance to change in the organisation. All the objectives are analysed with the help of proper statistical techniques.

New learning is the major change experienced by the IT services employees. The technological advancements in the industry force the employees to learn new skills. The new skills include big data analysis, cloud technology, cybersecurity, service delivery automation, artificial intelligence, and robotics. In the fast changing scenario, 50 to 60 percent jobs in the IT services sector require these skills. The industry could focus on enhancing and re-skilling the existing employees in order to modify them as the best workforce. The improvement of the technological skills of the employees could be achieved with the help of training programmes, and self-learning courses.

The employees resist change mainly because of their fear of unknown. The uneasiness in the workplace affects the performance of the employees. It is the duty of the management to understand the reasons for resistance to change. Poor planning in facing organisational change increase the resistance to change and results in lack of support from the employees. To accept something new, the routine tasks to be sacrificed and extra time is required to adapt to the new situation. It is always important to make the employees comfortable by providing the rationale behind the change process. Also, it is the duty of the management to support the employees by providing clear information about the change and the impact of these changes on the employees.

Involvement of employees in the change process reduces the fear of the employees towards the change process. It also makes them feel secure in the new environment. During the change process, the employees feel insecure because of not having enough skill to perform the new task. The management must communicate the need for training programmes to the employees in order to develop their skills required to perform the new task. Frequent communication about the change programme in the team meetings and re-skilling of employees help in great extend to overcome the resistance to change.

In terms of the relationship between managing change dimensions with gender and previous work experience, both the results of the hypothesis testing shows that there is no significant difference between these variables. The gender equality in the IT services industry considers both male and female employees in a similar manner while implementing change management practices. The result shows that the employees in the IT services industry are not concerned to the change practices based on their experience. It is evident that majority of the IT services employees are young and they have higher confidence level to adopt a new practice in their workplace.

CONCLUSION

This study documented the changes faced by the IT services employees, reasons for resistance to change, and the methods used for dealing resistance to change in the organisation. The relationship between the managing change dimensions with respect to gender and previous work experience also unveiled from this study. The findings suggest that new learning is the major reason for resistance to change in the IT services industry and involvement of employees, job security, and employees training are the methods used to deal with the resistance to change in the IT services industry.

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A STUDY ON THE UNIQUE FACTORS INFLUENCING THE SUCCESSFUL
MANAGEMENT OF TECHNOLOGY INTENSIVE/HIGH-TECH PROJECTS AND
THEIR ADAPTABILITY TO GENERIC PROJECTS

R. Ayyappadasan Pillai, Research scholar in Management, University of Kerala, Trivandrum
Dr. V. AjitPrabhu, Senior Scientist, KSCSTE, Pattom, Trivandrum

Abstract:

Projects can be generally classified as Generic Projects and High-Tech projects. The former does not normally deal with frontier/new and complex technologies. Hence, design and development related issues are not very crucial. However, when usages of modern and high end technologies are involved in generic projects during Project execution, adaptation of relevant processes from high-tech Project Management is important. This paper brings out the Critical Success Factors of high-tech projects which are arrived through exploratory study conducted with the help of an in depth interview and survey among project professionals, who have successfully implemented technology intensive projects in high-tech organizations in our country. The data from 68 respondents, who have managed high end technology projects, were analysed using Descriptive Statistics, Factor Analysis and Hypothesis testing and factors/processes suitable for adaptation by generic projects have been identified. This study is distinct in its content and attempts to an innovative project management approach which can be made applicable to generic projects also.

Key words: High-Tech Projects, Generic Projects, Project Management Processes, Critical Success Factors, Complex Technologies, Technology Management, Technology Adaptation, .

1. Introduction

In developed and developing nations of the world the number of projects are being taken up are ever increasing. The Projects are also becoming more and more complex with rapid technological advancements and customer demand and preferences. With the advent of new technologies and products, a wide variety of goods and services of high quality in the shortest possible time is preferred everywhere. Technology Intensive Projects development has become an area of competition in the world, spear headed mainly by Japan. Apart from utility products, Electric Vehicles, High Speed Transportation Systems, Communication Systems, Aerospace and Defence Systems, new technologies for infrastructure building like roads, tunnels, ports, etc. are realized through technology intensive Projects. Development of high quality products, meeting customer's expectations in every respect, faster, more efficiently and at a competitive price has become essential for survival. This has resulted in the emergence of new processes for projects to reduce time from design to discard like concurrent engineering, in which integrated teams work with cross-functional co-operation to reduce time and create high quality products. However, all projects are not successfully managed or implemented time bound, resulting in drain of scarce resources. This leads us to think of the ways and means of how the projects can be implemented effectively without cost or time overruns. Project Management is a complex activity. Each project is unique and needs a unique management approach.

Projects are generally classified as High-Tech or Technologically intensive projects and Generic Projects. The High-Tech Projects involve higher risk and higher probability of failure and the generic projects are considered as those without any uncertainties and can be built as planned and designed. However, this classification of projects is not necessarily mutually exclusive, since the level of technology in projects can vary during different stages of execution, particularly since new technologies are being introduced even in generic projects.

1.1 Project Management- Generic Projects

India has now given high priority for Infrastructure development and set very high targets for investment including through FDI. However, from the reports of Ministry of Statistics and Programme implementation, Govt. of India, it is understood that the infrastructure development has not been taking place at the required pace and the projects have been suffering from delays on various accounts. A study by Jonathan Koner and Mona N shah (2015), Professors at National Institute of Construction Management and Research (NICMAR), Pune, reveals that out of the 62 MPPs, 32 were stalled. The Projects' cost has increased from Rs. 44,151 crore to Rs.49,345 crore (58th Flash Report, March 2014 of Ministry of Statistics and Programme implementation) cost increase of 11.8%. The study has identified various reasons for the delay. Apart from administrative reasons like delays from land acquisition, environmental clearances etc. lack of detailed engineering and construction capabilities (Technical capacity) and System support inadequacy have also been identified as causes for the delay. In another study by Ramakrishna Nallathiga, Aarti Wakhloo & Avirup Bhattacharya (2015), of NICMAR, based on 727 infrastructure projects each with an outlay of 150 crores or more, reveals with reference to the Report of the Ministry of Statistics and Programme implementation that the overall project cost of Rs. 9,45,397 crores was likely to be Rs. 11,34,340 crores, which is cost overrun of 20% of original cost. The authors have also identified various causes for the time overruns resulting in the cost over runs. The authors have commented that, "in infrastructure sector, it appears that the project stakeholders are not working with synergies and common understanding'.

1.2. Project Management- High tech Projects

In India, high-tech projects have been taken up and implemented by Indian Space Research organization (ISRO), Defence Research and Development Organisation (DRDO), Brahmos Aerospace Department of Atomic Energy (DAE) National Aerospace Laboratory (NAL) Aeronautical Development Agency (ADA) and Hindustan Aeronautics Ltd. (HAL) etc. ISRO has undertaken projects for building space crafts and Launch vehicles to provide space services to the nation in a self reliant manner. ISRO has successfully completed many projects without major schedule and cost overruns which include Launch Vehicle Projects-SLV3, PSLV, GSLV-MK II, GSLV-MK III, Space Craft Projects-Aryabhata, Bhaskara, IRS Series, INSAT series, Chandrayan, Mangalyan etc. DRDO has successfully implemented the Integrated Guided Missile Development Programme (IGMDP) consisting of Prithvi, Thrishul, Akash, Nag and Agni Missiles. Brahmos Aerospace successfully implemented the Brahmos Supersonic Missile Project. In the field of Aeronautics, the National Aerospace Laboratory (NAL), flight tested the

14seatesSARAS aircraft, paving the way for Indian made 120 seat passenger jet. HAL's successful completion of the Advanced Light Helicopter (ALH) Project and the Light combat Aircraft (LCA) project in association with Aeronautical Developmental Agency (ADA) are major high-tech projects implemented in India. Each of these projects has strengthened the technological and managerial competence for taking up and successfully implementing difficult projects and the experiences derived from these projects can be leveraged and made use of for implementing large size generic projects in our country. Although there are other high-tech projects, the study is surrounded with the above examples / projects.

2. Objectives of the study

The objectives of this study are:

- To study the dimensions of Project management in the developing context of India.
- To study the problems in the generic project management being practiced, especially in the infrastructure development sector in India.
- To identify the critical success factors of high-tech/ technologically intensive projects, especially in the Aerospace and Defence sectors in India.
- To analyse the data and find out the key factors/processes which can be adapted to generic project management.

3. Research Methodology

The study is exploratory in nature. Initially a literature survey of organizations who have successfully implemented technology intensive projects within India and abroad was conducted and their project management processes were studied at length. Subsequently in order to carry out a qualitative analyses, experts who have successfully implemented technologically intensive projects in India were interviewed with a suitable data collection tool based on inputs received from literature review, pilot interviews with experts and also researcher's own experience in managing two major high-tech projects in ISRO.

97 experts were identified who have successfully implemented high-tech projects in India for collection of data of which 68 experts (hereafter called respondents) have responded. Analyses of data so collected were analysed using statistical tools – Descriptive statistical tools, Relative Importance Index, Factor Analysis and Hypotheses testing. The findings are presented in this paper as unique factors which determine the successful implementation of high-tech projects.

4. Data Collection

The data were collected under the following 5 major Project Management Processes and the number of critical success factors identified under each process for rating is given within the brackets

1	Project Initiation Process	(10 factors)
2	Project Planning Process	(14 factors)
3	Project Execution Process	(12 factors)
4	Project Control Process	(5 factors)
5	Project Closure Process	(2 factors)

43 critical success factors of technology intensive projects under the above processes were rated by the respondents for adaptability to generic projects in a 1-5 Likert scale with lowest score of 1 and highest score of 5.

- 1 means not at all adaptable
- 2 means Adaptable with major modifications
- 3 means Adaptable with minor modifications
- 4 means Adaptable
- 5 means Extremely adaptable

5. Data Analysis

Data analysis was carried out for each of the five processes as given below:-

5.1. Project Initiation Process

5.1.1. Critical success factors/variables rated by the respondents were analysed and the descriptive statistics is given in the Table 1. Mean scores are arranged in a descending order and ranked.

Table1. Descriptive Statistics for Project Initiation Process

Sl. No	Factors	N	Minimum	Maximum	Mean	Rank	Std. Deviation
1	Selection of Manager with unique qualities	68	3.0	5.0	4.721	1	.5421
2	To identify programme and project elements	68	2.0	5.0	4.544	2	.7214
3	Selection of Key persons with Unique qualities	68	3.0	5.0	4.515	3	.7017
4	To study system options and identify proven technologies	68	1.0	5.0	4.471	4	.9055
5	Programme Manager from the sponsor	68	2.0	5.0	4.382	5	.7923

6	Project Documentation	68	2.0	5.0	4.294	6	.8115
7	Concept review and finalization of configuration and technologies	68	2.0	5.0	4.221	7	.8612
8	Foreseeing needs for advance funding	68	2.0	5.0	4.191	8	.8332
9	Dedicated design team	68	1.0	5.0	4.162	9	.8913
10	System projects with independent teams	68	1.0	5.0	4.162	10	.9402
	valid N (listwise)	68					

It is observed that selection of Project Manager with unique qualities is the most important factor during project initiation. However, six more factors are also considered important for which the mean score is more than 4.2 and cumulative score for adaptable and extremely adaptable rating is more than 80%. Table 2 shows the frequency of rating score and cumulative score of 7 factors in the Project Initiation Process.

Table 2. Frequency of Rating Score in the Project Initiation Process

Sl. No	Factors	Frequency of Likert scale score (% in brackets)					Cumulative Score for 4+5y
		1	2	3	4	5	
							6
1	Selection of Project Manager with unique qualities	0	0	3 (4.4)	13 (19.1)	52 (76.5)	95.6
2	To identify programme and project elements	0	1 (1.5)	6 (8.8)	16 (23.5)	45 (66.2)	89.7
3	Selection of Key persons with unique qualities	0	0	8 (11.8)	17 (25)	43 (63.2)	88.2
4	To study system options and identify proven technologies	2 (2.9)	0	7 (10.3)	14 (20.6)	45 (66.2)	86.8
5	Programme Manager from the sponsor	0	3 (4.4)	4 (5.9)	25 (36.8)	36 (52.9)	89.7
6	Project documentation	0	1 (1.5)	12 (17.6)	21 (30.9)	34 (50)	80.9
7	System configuration review and finalization of	0	3 (4.4)	10 (14.7)	24 (35.3)	31 (45.6)	80.9

configuration & technologies						
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In addition to the above, ranking was made based on a normalized index, which takes into account the number of respondents giving each level of score i.e. 1,2,3,4 &5. In the mean score based ranking, this is not given importance or weightage and will have equal weightage. The weighted score with the number of respondents forming the weightage set has some advantage over the normal ranking method. This was also carried out by calculating the Relative Importance Index (RII) using the standard formula and ranking the scores. It was observed that this weighted index based analysis also support the earlier analysis by calculating the mean scores and standard deviations of the factor.

5.1.2 Factor Analysis

From the descriptive statistics and RII analysis, it is found that seven of the ten factors under the Project Initiation Process have higher mean scores and RII values, which indicate that these are relevant factors. Further, to identify the hidden latent factors, factor Analysis was carried out. In the factor Analysis, three latent factors have been identified, which together explains 53.835 percent of the variations in the data and is shown in the Table 3. All latent factors which have Eigen values greater than one are selected as relevant factors. The extraction method used in the factor analysis is Principal Component Analysis. The rotation method used is Varimax with Kaiser Normalisation and the rotation converged in 5 iterations. The significant loadings of variables under each factor are shown in bold fonts in Table 4.

Table 3 Total variance explained during “Factor Analysis for the Project Initiation Process

Component	Initial Eigen values			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.542	25.422	25.422	2.118	21.180	21.180
2	1.573	15.734	41.156	1.665	16.645	37.825
3	1.268	12.679	53.835	1.601	16.010	53.835
4	.981	9.809	63.644			
5	.954	9.538	73.183			
6	.771	7.707	80.889			
7	.586	5.858	86.747			
8	.569	5.690	92.438			
9	.448	4.477	96.915			
10	.308	3.085	100.000			

Extraction Method: Principal component Analysis

Table 4. Rotated Component Matrix for the Initiation Process

	Component		
	1	2	3
To study system options and identify proven technologies	-.110	-.206	.677
Concept review and finalisation of configuration and technologies	.135	-.094	.716
To identify programme and project elements	-.046	.367	.552
Programme manager from the sponsor	.049	.816	-.122
Foreseeing needs for advance funding	.277	.827	.019
System projects and with independent teams	.371	.229	.153
Manager with unique qualities	.758	.080	-.063
Key persons with Unique qualities	.860	-.041	-.063
Dedicated design team	.380	.149	.431

It can be seen from the factor loadings that the first latent variable is influenced by selection of Project Manager and Key persons with unique qualities and their empowerment. This factor explains 21.18% of the total variance due to all factors. The second factor has high loading for Programme Manager from the Project Sponsor and foreseeing the needs of the Project and explains 16.645% of the variance. The third latent factor has high loadings for the dimensions of study project and finalization of Project Scope and technologies through a system conceptual Review (SCR). Names are given to these latent factors based on the common traits due to the combination of variables, which have higher loadings under that factor. The first latent factor is named 'Selection and Empowerment of Project Team (SEPT)', the second latent factor is named 'Programme Manger Role' (PMR) and the third latent factor is named, 'Study Project and System Conceptual Review' (SPCR).

5.1.3. Hypothesis formulation and testing

Since this study was exploratory, hypotheses were not formulated initially. However, after identifying the latent variables following, hypotheses were formulated and tested. The hypotheses were tested using the students t-test and this was checked using normal probability-Probability (P-P) plots and found acceptable.

In the following tests, μ denotes the mean value of the response scores. $\mu = 4$ means adaptable and $\mu = 5$ means extremely adaptable. The null hypothesis states that whether the factor is adaptable. When the mean score is between 4 and 5, the alternate hypothesis is that it is not

just merely adaptable, but more than that. Thus rejecting the null hypothesis means that, the factors has a position between 'adaptable' and 'extremely adaptable'. After checking the mean score of each factor the hypothesis were formulated and tested.

Null Hypothesis Ho1 : Selection and Empowerment of Project Team (SEPT) is adaptable to generic projects.

Alternate Hypothesis H11 : SEPT is not just adaptable, but is more than that, is between adaptable and extremely adaptable.

It is observed from the t-test that the t-value (9.308) is significant at 5 percent level and P-value (0.000) is less than 0.05 and hence HO1 is rejected. Hence SEPT is between adaptable and extremely adaptable.

Null Hypothesis Ho2 : Program Manager Role (PMR) is adaptable

Null Hypothesis H12 : PMR is more than adaptable

Since t-value (3.288) is significant at 5% level and $P < 0.05$, HO2 is rejected and PMR is between adaptable and extremely adaptable.

Null Hypothesis Ho3 : Study Project and System conceptual Review (SPCR) is adaptable.

Alternate Hypothesis H13 : SPCR is more than adaptable since the t-value (3.908) is significant at 5% level and $P < 0.05$ Ho3 is rejected.

The Descriptive Statistics, Factor Analysis and Hypothesis Formulation and Testing were repeated for other processes and the results are presented below.

5.2 Project Planning Process

5.2.1 Descriptive Statistics has identified the following relevant factors with mean score > 4.2 and cumulative % score for adaptable and extremely adaptable > 80 percent.

- Establishment of Project Management Office
- Independent Quality Assurance Team
- Work Break down structure (WBS) for planning
- Cohesive Project Team
- Identification of distinct Project Phases
- Constitution of Review Boards
- Preliminary Design Review

5.2.2. In the Factor Analysis, following three latent factors were identified.

- Design Review and Risk Analysis (DRA)

- Enhanced Planning, Monitoring & Review (EPMR)
- Ensuring Multilevel Management Commitment (EMMC)

5.2.3. Hypothesis formulation based on the latent factors and testing gave the following results.

- Design Review and Risk Analysis is adaptable to generic Projects
- Enhanced Planning, Monitoring & Review (EPMR) is more than adaptable towards extremely adaptable.
- Ensuring multi level management commitment is adaptable.

5.3. Project Execution Process

5.3.1. Descriptive statistic has identified the following relevant factors with mean scores >4.2 and cumulative percentage for adaptable and extremely adaptable >80%.

- Mission Success first message among stake holders.
- Team work achieving Synergy of Energy.
- Bringing talent from wherever available for problem solving.
- Treating contractors as partners.
- Weekly Project Review meetings (PRMs).
- Contractors selection on merit.
- Open atmosphere.

5.3.2. In the Factor Analysis, two latent factors were identified as below:-

- Weekly Review & Problem Solving (WRPS)
- Contractors Selection & Partnership (CSP)

5.3.3. In the hypothesis testing, following results were obtained

- Weekly Review and Problem solving (WRPS) is between adaptable and extremely adaptable.
- Contractor's selection and Partnership (CSP) is between adaptable and extremely adaptable.

5.4 Project Control Process

5.4.1 Descriptive statistics has identified the following relevant factors with mean score >4.2 and cumulative score for adaptable and extremely adaptable >80%

- Performance, Schedule, Cost & Risk control
- Regular Program Analysis & Corrective actions
- Regular Quality & Reliability Analysis & Corrective actions
- Rigorous Change Control

5.4.2. In the Factors Analysis, one latest factor was identified.

- Focus on Quality Assurance & Reliability (FQAR)

5.4.3. The hypothesis testing established that the focus on Quality Assurance & Reliability (FAQR) is between adaptable and extremely adaptable to generic projects.

5.5. Project Closure Process

5.5.1 The Process consisted of only two critical success factors and both have mean score >4.3 and cumulative score >85 percent and hence accepted as relevant factors.

- Critical Success Factors/Performance Analysis Report
- Two part Closure Report (Part 1: Technical and Part II: Managerial)

5.5.2 Factor Analysis has only one latent factor named as

- Performance Analysis and Experience Transfer (PAET)

5.5.3. The hypothesis testing established that the Performance Analysis & Experience Transfer (PAET) is between adaptable and extremely adaptable to generic Projects.

6. Significant Findings of the Study

This study was aimed to identify the Critical Success Factors of Technology intensive/High-Tech projects with a view to identify those factors which can be adapted to generic project management. Generic Projects by nature are expected to be less prone to uncertainties and risks. However in actual practice, large size generic projects are found exposed to more and more risks and uncertainties as high-tech projects.

The risks are technical risks, schedule risks and cost risks affecting performance, schedule and cost targets of projects. Due to demand for high performance in the short time by present day customers, even infrastructure projects are forced to adopt modern technologies for fast execution using state of art machines and skilled manpower. Projects are getting more and more technology intensive and hence it is found appropriate to analyse the processes of technology intensive projects and find out those which are adaptable to generic projects. Further, most of the generic projects are implemented by a trio- the Project Sponsor/Owner Consultant(s) and the Contractor (s) engaged by the owner. Apart from the administrative issues like land acquisition, environmental clearances, law and order issues etc. disputes between the trio due to implementation of essential changes and solving of unexpected problems have resulted in stalling of many generic projects. However, the high-tech projects were found facing schedule and cost overruns mainly due to test failures and could recover due to focused actions of rigorous reviews and bringing in talent from wherever available to solve problems.

For this study, 43 critical success factors of high-tech projects were rated by 68 respondents who have experience with technology intensive projects in major organizations in India. The Statistical Analysis Factors Analysis and Hypothesis testing have indicated that the following processes of technology intensive projects are extremely adaptable/adoptable to generic projects.

- (i) Selection of Project Manager and team with technical knowledge and leadership qualities and empowerment of the team.
- (ii) Programme Manager, who is a representative of Project Owner/Sponsor has a major role to support the Project during implementation.
- (iii) A Study Project and System Conceptual Review (SCR) to finalise the Project scope and technologies, which is more than a feasibility report and will avoid technical problems during implementation.
- (iv) Design Review and Risk analysis processes can be done by specific generic projects to avoid unexpected problems during implementation.
- (v) Enhanced Planning, Monitoring and Review, comprising dividing the Project into different phases, planning for each phase, monitoring progress, weekly reviews and solving of problems is essential.
- (vi) Ensuring multi level management commitment through a 3-tier structure, the first level with Project Manager and Execution Team, the second level with a Project Management Board with Senior Management as members and the third level with a Project Management Council with top management as members. Each level must have higher financial and decision making powers.
- (vii) Contractor's selection has to be based on merit not on low cost and contractors are to be treated as partners.
- (viii) Focus on Quality Assurance and Reliability with an independent QA team working closely with the Project is essential.
- (ix) Performance Analysis and Experience transfer reports for operations and planning future projects is essential during project closure.

7. Conclusion

Each Project is unique and needs unique approach to management. However, learning from experience of successfully implementing difficult projects is useful. Most of the functions of High-tech Project Management and Generic Project Management are common, but with different degrees of focus. Though all generic projects are not comparable to high-tech projects due to its variety of scales and dimensions, the study identified certain vital factors which were found successful in effectively managing high-tech projects that may be considered during the project implementation of generic projects with or without modifications. The study though not validated, is a pointer to develop innovative approach to project management of even generic projects due to the involvement of high technology and other sophisticated processes, and also in the technology management strategies including technology adaptation of mega projects. However, the processes of technology intensive projects identified in this study are adaptable to most of the large scale generic projects involving bigger teams and resources.

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A REVIEW OF ACADEMIC APPROACHES TO EMPLOYEE ENGAGEMENT AND ITS THEORETICAL FRAMEWORKS

Sobha V.K., Research scholar in Management, University of Kerala, Trivandrum
Dr.S.Ambeeshmon, Assistant Professor, IMK, University of Kerala, Trivandrum

Abstract

Considerable changes in the international market have accelerated the need for organisations to find more innovative ways to address new technological, demographic and marketplace realities. As a result, companies and organisations want employees that are optimistic, concerned, inspired and, most importantly, dedicated to put in extra effort and priceless contribution in every possible way. Organisations are trying to analyse and understand the employee thinking and behaviour, and to develop possible ways of getting employees more engaged in their jobs. Thus, employee engagement is increasingly becoming one of the most researched concepts in management literature. Researchers, such as Kahn (1990) and Schaufeli et al. (2002) gave precise definitions and measurements for employee engagement; however, the concept remains inconsistently defined and conceptualized.

Key words:-

Academic Approaches to Employee Engagement, Theoretical Frameworks of Employee Engagement, The Job Demands-Resources Model, The Affective Shift Model , The Social Exchange Theory (SET Theory)

Introduction

Employee engagement is a matter of concern for leaders and managers in organisations across the globe, as it is recognized as a vital element in determining the extent of organizational effectiveness, innovation and competitiveness. One of the most critical challenges now a day the international firms are facing is attrition of good employees. In order to face the competition and to enhance the growth and good will of the firm, employee engagement is to be treated with top most priority. However, it seems that this attention results mainly from practitioners, and that scientific research by academia are lacking, especially with regard to measuring and determining what the current level of employee engagement is in an organization.

Statement of the Problem

The term employee engagement is rooted in academic research, though it was considered largely as practical consultancy issue till 1990s. Though, since then, the concept is attracting greater attention from scholars in disciplines such as business and management, psychology and organizational behavior. Since there is a paucity of critical academic literature on the subject, it is a difficult and an extensive exercise to define engagement and outline its scope. Each study on employee engagement explores it under a different context. As a result, there is absence of a universal and unanimous definition and measurement of employee engagement. Thus, in order to understand the construct of employee engagement with greater clarity; we have to rely on several studies on the subject.

Objectives

This paper aims to understand:

1. The basic concept regarding the academic approaches to Employee engagement
2. The theoretical Frameworks of Employee Engagement.

Methodology of Study

This is a fact finding study which is descriptive in nature. This study analyzed the past research works on employee engagement for summarizing it. This paper is based upon review of literature and secondary data collected from various websites, journals, magazines, newspapers and reference books.

Academic Approaches to Employee Engagement

A thorough review of the existing research publications and relevant data base on engagement identified four distinct approaches to define engagement.

The Needs-Satisfying Approach

According to Kahn, W. A., (1990)¹, engagement affects employee performance. His study illustrates the nature of personal engagement & disengagement & the three psychological conditions (meaningfulness, safety & availability) found to influence those behaviors. The concept of engagement was first introduced by him to explain how people are personally engaged and disengaged at work. He defined 'job engagement' as 'the harnessing of organisational members' selves to their work roles where people express themselves physically, cognitively, and emotionally during role performances' (Kahn 1990, p. 694). This definition clarified the concept of engagement as the manifestation of being 'present at work'. Being 'present at work' requires a particular mental state. In order to be engaged, an individual has to think, feel and act on their job. In other words, this mental state constitutes a driving force which requires physical, cognitive and emotional resources. These resources can be enhanced in certain psychological conditions: meaningfulness (feeling that one is receiving a return on the investment of the self in the work role performance), safety (a sense of being able to show and employ oneself without fear of negative consequences to one's self-image or status at work) and availability (a sense of possessing the physical, emotional and psychological resources needed for investing oneself in the work role). These psychological conditions serve as the mechanism by which individuals connect to their role performance. In contrast, disengagement refers to withdrawal from the work role. The dominant contribution by Kahn is the identification of the conditions in which engagement would be likely to exist. However, Kahn's conceptualization has a weakness. When he explored the psychological conditions, he did not take into account a theoretical conceptualization of engagement. One of the reasons for this is the lack of literature on employee engagement at that time (1990s) and a dependency on other psychological constructs such as job involvement and commitment at work.

The Burnout-Antithesis Approach.

Maslach, C., & Leiter, M. P. , (1997)²formulated a burnout model that focuses on the degree of perceived congruency between the individual and key aspects of his or her organizational environment. The model proposes that the greater the perceived incongruity, or mismatch, between the person and the job, the greater the likelihood of burnout; conversely, the greater the perceived congruity, the greater the likelihood of engagement with work. Such

incongruities may be temporary, rather than fixed, and may shift over time (e.g., as a result of a change in job responsibilities or in a person's expectations of a new colleague). They reintroduced the concept of engagement as an energetic state of involvement that is posited to be the opposite of burnout. Maslach and Leiter added to their argument by asserting that, if an employee is not engaged, he or she will be more likely to move to the other end of the continuum and experience burnout. The state of engagement is characterised as having high energy (as opposed to exhaustion), high involvement (as opposed to cynicism) and efficacy (as opposed to lack of efficacy).

The alternative view considers work engagement as an independent, distinct concept that is negatively related to burnout. Consequently, work engagement is defined and operationalized in its own right as "a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption" (Schaufeli, W. B., Salanova, M., González-Romá, V., & Bakker, A. B., 2002, p. 74)³. "That is, in engagement, fulfillment exists in contrast to the voids of life that leave people feeling empty as in burnout". They further stated that engagement is not a momentary and specific state, but rather, it is "a more persistent and pervasive affective-cognitive state that is not focused on any particular object, event, individual, or behavior" (p. 74). Vigor is characterized by high levels of energy and mental resilience while working, the willingness to invest effort in one's work, and persistence even in the time of difficulties. Dedication refers to being strongly involved in one's work, and experiencing a sense of significance, enthusiasm, inspiration, pride, and challenge. Absorption is characterized by being fully concentrated and happily engrossed in one's work, whereby time passes quickly and one has difficulties with detaching oneself from work.

Schaufeli and his colleagues (Schaufeli, Salanova, et al., 2002)³ also identified that work-related well-being have two underlying bipolar dimensions viz., activation (energy) and identification. The continuum that is spanned by vigor and exhaustion has been labeled "energy", whereas the continuum that is spanned by dedication and cynicism has been labeled "identification" see, for example; (González-Romá, V., Schaufeli, W. B., Bakker, A. B., & Lloret, S., 2006)⁴. Thus, vigor and exhaustion, and dedication and cynicism are considered as the endpoints of these dimensions, Schaufeli, W.B. and Bakker, A.B., (2004)⁵. Accordingly, vigor and dedication are considered direct opposites of exhaustion and cynicism, respectively, the two core symptoms of burnout, Schaufeli, W. B., & Taris, T. W., (2005)⁶. Hence, work engagement is characterized by a high level of energy and strong identification with one's work, whereas burnout is characterized by the opposite: a low level of energy and poor identification with one's work.

The Satisfaction-Engagement Approach.

Harter, J.K., Schmidt, F.L., & Keyes C.L.M., (2002)⁷ conducted the meta-analysis of a huge data (N = 7,939) on employee engagement at the Gallup Organization and came out with the most widely read literature on employee engagement. Gallup defined employee engagement as an "individual's involvement and satisfaction with as well as enthusiasm for work", Harter et al., (2002, p. 269). A close examination of this definition reveals the fact that Gallup's engagement concept seems to overlap with well-known traditional constructs such as job involvement and job satisfaction. The Meta analysis reported that keeping the measurement error under control the Q12 correlates almost perfectly ($r = .91$) with a single item that indicates job

satisfaction. This proves that both job involvement and job satisfaction are virtually the same. Harter et al., (2002: 209) further stated that the Q12 assesses “antecedents to positive affective constructs such as job satisfaction”, thereby admitting the overlap. Thus the Gallup Organization defines employee engagement in terms of resourceful work, considering it an antecedent for both positive affective outcomes such as job satisfaction as well as business-unit performance (Harter et al., 2002). This means that employees who are characterized by positive affectivity are more likely to be engaged with their jobs. Further analysis of the Gallup model shows that it is a tool developed for the effective measurement of employee engagement and Q12 measures the antecedents of engagement in terms of perceived job resources. It is designed as a tool for management to improve jobs so that employees would be more satisfied (Schaufeli, 2013). Since the Gallup’s research has established significant links between employee engagement and business unit outcomes, such as customer satisfaction, profit, productivity, and turnover (Harter et al., 2002) it has a significant impact in academia as well.

The Multidimensional Approach

The Multi-dimensional Approach of Saks, A., (2006)⁸ hypothesized that employee engagement is developed from a social exchange theory and recommended two distinct states of engagement: job engagement and organizational engagement. Saks defined engagement “as a distinct and unique construct that consists of cognitive, emotional, and behavioral components that are associated with individual role performance” (Saks 2006 p. 602). Using his multi-dimensional approach, Saks distinguished between job engagement and organizational engagement that are described as employees’ “psychological presence in their job and their organization” (p. 608), respectively. Job engagement is measured with five items (e.g., “Sometimes I am so into my job that I lose track of time”; $\alpha = .82$) and organization engagement is measured with six items (e.g., “One of the most exciting things to me is getting involved with things happening in this organization” $\alpha = .90$). Both aspects of engagement are moderately highly related with each other ($r = .62$) and show different patterns of relationships with antecedents and outcomes, thus suggesting conceptual distinctness. However, further researches based on this multi-dimensional approach are a little.

Thus in short, each approach emphasizes a unique aspect of engagement. (1) its relation with role performance; (2) its positive nature in terms of employee wellbeing as opposed to burnout; (3) its relation with resourceful jobs; and (4) its relation with both the job as well as with the organization.

The Theoretical Frameworks of Employee Engagement

None of the literature is in support of a unique theoretical framework for engagement. Different studies propose discrete theoretical perspectives. It is difficult to evolve a unique framework by integrating the different aspects emphasized in each of the studies to. However few relevant approaches are detailed below:

The Job Demands-Resources Model

The Job Demands-Resources (JD-R) model; Bakker, A. B., & Demerouti, E., (2007)⁹; can be used to predict employee burnout and engagement, and consequently organizational performance. The JD-R model conceptualizes burnout and engagement as two separate constructs that are integrated in an overarching conceptual model. At the heart of the JD-R model

lies the assumption that whereas every occupation may have its own causes of employee well-being, these factors can be classified in two general categories (i.e., job demands and job resources), thus constituting an overarching model that may be applied to various occupational settings, irrespective of the particular demands and resources involved.

Two types of resources are distinguished: The job resources are defined as those aspects of the job that are functional in achieving work goals, reduce job demands, or stimulate personal growth and development (e.g., performance feedback, job control, and social support from colleagues). The personal resources are defined as aspects of the self that are associated with resiliency and that refer to the ability to control and impact one's environment successfully (e.g., self-efficacy, optimism and emotional stability). Extensive research has provided evidence for the existence of two simultaneous processes. High job demands exhaust employee's mental and physical resources and therefore lead to the depletion of energy and to health problems. This is the health impairment process. In its turn, burnout may lead to negative outcomes such as depression, cardiovascular disease, or psychosomatic complaints Melamed, S., Shirom, A., Toker, S., Berliner, S., & Shapira, I., (2006)¹⁰. In contrast, job resources foster employee engagement and extra-role performance. This is the motivational process. Importantly, several studies have shown that job resources may buffer the impact of job demands on stress-reactions. In addition, research has confirmed that job resources particularly have motivational potential when job demands are high.

The Affective Shift Model

The core proposition of the affective shift model is that work engagement will only result from the experience of negative affect if a shift to positive affect takes place, Bledow, Ronald & Schmitt, Antje & Frese, Michael & Kühnel, Jana, (2011)¹¹. Work engagement is expected to be low if people remain in a negative affective state without experiencing positive affect. In contrast, if people move to a positive affective state, the motivating potential of negative affect can unfold and work engagement can increase, Lyubomirsky, S., King, L., & Diener, E., (2005)¹². This model is based on the assumption that both positive and negative affect have important functions for work engagement. It has been observed that work engagement waxes and wanes as a person moves through the working day, shifting from one task to another and being exposed to various kinds of events during the day (S. Sonnentag, C. Dormann and E. Demerouti, 2010)¹³.

The Social Exchange Theory (SET Theory)

Social exchange theory proposes that social behavior is the result of an exchange process. The purpose of this exchange is to maximize rewards and minimize costs. According to this theory, people assess the potential benefits and risks of social relationships. When the risks outweigh the rewards, people will terminate or abandon that relationship.

The crux of SET theory is that obligations are generated through a series of interactions between the parties who are in state of reciprocal interdependence, Saks (2006)⁸. Cropanzano, R., & Mitchell, M. S., (2005)¹⁴ suggested three types of postures to another person: (1) independence, (2) dependence, and (3) interdependence, and they stressed that complete independence and complete dependence do not imply a social exchange. According to Cropanzano and Mitchell (2005), an exchange requires a bidirectional transaction- something has to be given and something returned, which was consistent with Robinson, D., Perryman, S. and

Hayday, S., (2004)¹⁵ description of engagement as a two-way relationship between the employer and employee.

There are all kinds of scenarios where social exchange theory looms large in the workplace. For example when employees receive resources like good salary, recognition, positive working climate, support from coworkers, opportunities for growth and development from an organisation they feel obliged to respond in kind and repay the organisation. In this context, Saks explained, "One way for individuals to repay their organization is through their level of engagement. Employees tend to exchange their engagement for resources and benefits provided by their employer; Saks, (2006)⁸. Therefore, when organisations provide ample resources to their employees they are likely to reciprocate by showing higher levels of engagement. However, the wide literature review in this subject proves that the existing empirical support for the social exchange theory of work engagement is limited.

Conclusion

It is quite evident from the above study of research papers, that engagement is not bound by one definition rather it has several aspects like psychological, physical, cognitive emotional and others. Engagement is not one way process but it is rendered from both individual as well as organizational side. So the relationship between employee engagement and organizational outcomes would be stronger if better measures were used.

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EMPLOYEE MOTIVATION -A COMPARATIVE STUDY OF TAJ VIVANTA AND KTDC

Vishnu K P, Research Scholar in Management, University of Kerala, Trivandrum 695581
Nithya Gopinath, Research Scholar in Management, University of Kerala, Trivandrum 695581

Abstract:

The Hotel industry in Kerala is facing a shortage of prospective employees, being a service industry it adversely affects the service quality and customers satisfaction level. In hotel industry timely and excellent service to customer have a great connection with the business of hotels and restaurants, between the hotel and customer, human resource establishes first contact therefore efficient and motivated workforce is essential for the success of the organisation. This article examines motivation of the employee in Taj Vivanta and KTDC mascot. The purpose of this article is to investigate and identify the specific factors that have great impact on motivation of people working in hotels and to determine the motivational difference between employees of public and private sector hotel. The objectives of the study are to determine the factors that increase motivational level of employees in hotels and to find out the effects of employee's motivation on organizational performance. The result obtained from the study states that there exist a relationship between motivation and employee performance. Study reveals that employees of KTDC and Taj are highly motivated and Motivation makes employees to work hard in the interest of the organization which ultimately leads to growth and productivity of the organisation.

Keywords: *Motivation, Employee Performance, Organizational development, Human resource Management*

Introduction

Tourism and Hospitality sector is growing in a swift phase than any other sector every one in ten jobs are contribution from this sector and the customers perception has changed to a great extent, now customers are relying on new and innovative Information and communication technologies such as social media and mobile applications for information inputs about the hospitality organisations .It has resulted in high customer expectation and competition in hospitality industry. The hospitality firms need to respond more effectively and efficiently to meet the customers' needs and beat their competitors. , between the hotel and customers, employees establish first contact therefore efficient and motivated workforce is essential for the success of the hospitality organisation. Motivation is a process which is exercised to stimulate, boost stamina and work talent by mentally satisfying the employees in an organization. In short, Motivation is something which inspires one to work deliberately. The word Motivation derives from the Latin word "Movere". The Latin words "Movere" means "To move", "To drive" or "To drive forward" etc. Human resource is the key resource of an organization which activates all its other functions. Human capital is not as like as other element of a business. It is naturally different. Without proper motivation, workers of an organization can be desperate, frustrated and more. Consequently, Motivation is necessary to achieve organization goals. For attaining individual goals, making him prepared by stimulating his mental condition is stated as Motivation. Motivation also impact on employee's job satisfaction, every organization wants their employees to be highly motivated and active but they are unfamiliar with what all factors

truly motivate people, organizations can perform more efficiently if their employee's had a clear-cut idea about organizational goals and vision of the company.

Motivation and Employee performance-Theoretical Evaluation

Abraham Maslow (1943) coined the Maslow's theory of needs he classified human needs in a form of hierarchy, for which he is famous; as one set of needs is satisfied, another emerges. John Stacey Adams (1963) Equity theory is centered on the concept that individuals are motivated by fairness, and if they identify inequities in the input or output ratios of themselves and their referent group, they will seek to adjust their input to reach their perceived equity. Amitai Etzioni (1968) developed the classification of managers' power and workers' involvement Managers power. Clayton Alderfer (1969) ERG theory summarized Maslow's hierarchy needs into three categories: Existence, Relatedness and Growth. Existence needs incorporates Maslow's first two levels which include all material and emotional desires such as food, clothing, shelter, safety, love and affection. Relatedness needs comprises Maslow's third and fourth levels consisting of social and external esteem, The Growth needs includes internal esteem and self-actualization. Edgar Schein (1980) famous for his work on motivation introducing the concepts of the 'psychological contract' and the 'career anchor' into the language of management. This work also included the study of corporate culture an organization's set of artifacts, values and assumptions. Elton Mayo (1920) often referred to as the founder of the (Human Relations movement. His work demonstrated the importance of groups in affecting the behavior of individuals at work. He is most famous for the, Hawthorne investigations which led to a fuller understanding of the 'human factor at work. Frederick Herzberg (1959) two factor theory is popular for demonstrating that factors that lead to dissatisfaction (hygiene factors) are quite different from those that lead to satisfaction (motivators).

Hospitality Industry and Motivation –An Analysis

Motivating the employees is necessary to any business. A motivated workforce means a highly productive labor, which all are capable to achieve the organizational goals and it is the main objective of the organization and business plan. Organizations all over the world are spending a huge amount of money for training, development and employee motivation. Every organization wants their employee to be highly motivated but they are not aware about what all factors that truly motivate their employees. When the employees have self-confidence and determination for attaining organizational goals and interest in future of company the profitability increases

Factors Influencing Employee Motivation

The study is having huge relevance in a state like Kerala where lot of employment opportunities are generated from tourism and it is highly depends on the motivational level of employees in the hospitality industry i.e. hotels and restaurants.

- *Intrinsic and extrinsic Motivation*: Intrinsic and extrinsic factors that stimulate and create a desire in people to be continually interested and committed to a job, role or subject, or to make an effort to attain a goal. Motivation results from the interaction of both conscious and unconscious factors such as the (1) intensity of desire or need, (2) incentive or reward value of the goal, and (3) expectations of the individual and of his or her peers. These factors are the reasons one has for behaving a certain way.

- Employee performance: Employee performance refers to method carried out to finish a task based on the recommended description; it is the way to complete a job within the predetermined limit. Employee Performance is the successful finishing off jobs by a selected worker or workers as established and agreed by an organization through making efficient and effective use of optimum level of resources to pre-determined acceptable standards within a changing environment .Employee performance is also seen as the achievement of the desired result of skilled employees in some specific time and optimum resources. Motivation and working environment are important determinants of employees' performance. Organizations to acquire and maintain devoted workers, it is essential to motivate and understand what all factors motives them at different levels because human behavior is very difficult to predict.
- Organizational Development: Organizational development is based on the concept of improving organizational performance through proactive techniques and activities. Organizational development is concerned with improving workforce performance; it should not be mistaken with human resource development. Organization development is the planned process of developing an organization to be more effective in accomplishing its desired goals, It is distinguished from human resource development in that Human resource development only focuses on the personal growth of individuals within organizations, while organizational development aims on developing the structures, systems, and processes within the organization to improve organizational effectiveness.
- Human Resource Management: Human Resource Management refers to describe formal systems formulated for the management of human capital within an organization. The obligations of a human resource manager fall into three key areas: staffing, employee compensation and benefits, and designing work. The objective of Human resource management is to maximize the productivity of an organization by enhancing the effectiveness of its employees. This mandate is unlikely to change in any fundamental way, despite the ever-increasing pace of change in the business world. The basic operation of human resources will always is to acquire, develop, and retain talent, align the workforce with the business, and be an excellent contributor to the business. Those there challenges will never change. But in recent years recognition of the importance of human resources management to a company's overall growth has grown drastically. This application HRM extends to small businesses also even though they don't have the same level of human resources requirements as giant organizations.

Results and Discussions

The hospitality sector in Kerala is at its booming stage the large hotel groups are expanding their chains to Kerala. but the human workforce in Kerala hospitality sector is inadequate to meets the market demand, the long working hours and 24/7 work shifts makes them exhausted and less wages and inadequate knowledge make them detached to this sector and forcing them to switch to other industries ,motivating the workforce is the only measure to tackle this issue. The study is based on the following objectives

1. To examine the relation between employee extrinsic motivation and organizational performance

2. To identify the factors that improves employee's motivation and its impact in organisation development.

The study used a descriptive survey design. Data was collected based on the concepts defined in the objectives and the survey adopted using questionnaire, aimed at finding the impact of employee motivation and factors affecting it. Convenient sampling technique was for data collection and statistical analysis was done using Microsoft excel and SPSS. For data collection 100 questionnaires were distributed among the employees of Taj and KTDC Mascot, were used for data analysis

Table No. 1 Socio-Demographic Profile

Variables		Hotel			
		KTDC		TAJ	
		No.	Percent	No.	Percent
Gender	Male	20	50	23	57.05
	Female	20	50	17	42.5
	Total	40	100	40	100
Age	18-27	20	50	7	17.5
	28-37	4	10	6	15
	38-47	8	20	14	35
	48-57	8	20	9	22.5
	Above 57	0	0	4	10
	Total	40	100	40	100
Designation	Manager	4	10	8	20
	Other	36	90	32	80
	Total	40	100	40	100
Education	Below SSLC	0	0	0	0
	SSLC	6	11.5	6	11.5
	Higher Secondary/Diploma	11	27.5	7	17.5
	Graduate	19	47.5	15	37.5
	Post Graduate	4	10.0	12	30.0
	Total	40	100	40	100
Salary	Up to 15000	13	32.5	12	30
	up to 25000	20	50	8	20
	up to 35000	6	15	8	20
	up to 45000	1	2.5	5	12.5
	above 45000	0	0	7	17.5
	Total	40	100	40	100
Years of Service	1-5	24	60	21	52.5
	6-10	8	20	14	35
	11-15	4	10	4	10
	Above 15	4	10	1	2.5
	Total	40	100	40	100

Primary source

The study covers two major hotels in Trivandrum City-Taj Vivanta and KTD, Mascot, TAJ has 8 four star properties and KTDC has 12 premium properties in Kerala. The respondents in this study are employees of TAJ Vivanta and KTDC Mascot hotel in Trivandrum city .From each organization 80 employees were selected as sample.

The table indicates that male-female ratio of respondents is proportional. Majority of the respondents from KTDC were youngsters and majority of respondents from Taj were middle aged employees the middle aged people have more work knowledge when compared to that of youngsters. Nearly 5 % of employees in Taj are above the 58 years. The study gives a favorable picture concerning the level of education of the respondents majority of the respondents have at least matriculation and majority of employees had degree level education. Employees of KTDC enjoy more intrinsic benefits when compared to that of Taj. The top level employees of Taj earn more than Top- level employees of KTDC. The study reveals that 60% of employees of KTDC are new recruits and their years of service are less than five. 20% of employees in KTDC has very long years of services. Half percent of respondents from the Taj were new to firm and few percent of them were having experience up to five year

Table 2: Relationship between Extrinsic Motivation and Organizational Performance

Respond	KTDC		TAJ	
	No.	Percent	No.	Percent
Strongly agree	12	30	16	40
Agree	20	50	20	50
Neither agree nor disagree	4	10	2	5
Disagree	0	0	0	0
Strongly disagree	4	10	2	5
Total	40	100	40	100

Primary source

The above data states that half percent of respondents in KTDC agrees that the extrinsic motivation influences them 30 percent of employees responded that they strongly agree with the statement and 10 percent of the employees reacted neutrally and the rest 10 percent strongly disagrees with the statement. The 40 percent of employees in Taj strongly agrees that tangible factors influence them; half percent of the respondents strongly agrees that they are motivated by extrinsic factors, 5 percent of employees neither agree nor disagree with the statement and the other 5 percent strongly disagreed. From this we can infer that extrinsic motivational factors have a great influence on employee motivation, extrinsic motivational factors such as monetary incentives, best employee award, benefit package, bonuses, rewards and badges can motivate employees.

Table 3: Job Security and Motivation

Responds	KTDC		TAJ	
	No.	Percent	No.	Percent
Strongly agree	12	30	12	30
Agree	16	40	20	50
Neither agree nor disagree	8	20	4	10
Disagree	4	10	4	10
Total	40	100	40	100

Primary source

The table refers that 30 percent of the employees in Taj and KTDC strongly job security increase motivation agrees .About 40 and 50 percent of employees of KTDC and Taj agrees that job security has a close relationship with their motivational level. Exact 8 percent of the total sample disagreed that job security motivates them. Good working condition are provided in the organization , gradually the quality of the output would be high.30 percent of the total response strongly agrees with the statement.20 percent of employees have a neutral stand neither of the employee agreed or strongly disagreed with the statement. From this we can infer that employee enjoys a high job security he gets motivated and he is likely to effectively perform his task which is reflected in the overall performance of the organization.

Table 4: Role of employee in organisation and Motivation

Responds	KTDC		TAJ	
	No.	Percentage	No.	Percentage
Strongly agree	8	20.0	8	20.0
Agree	28	70.0	27	67.5
Neither agree nor disagree	4	10.0	4	10.0
Disagree	0	0	1	2.5
Total	40	100	40	100

Primary source

The table infers that 70 percent of respondents of KTDC agree that they are satisfied with the responsibility and role they have at work place and 20 percent of the employees strongly agrees to it. This is due to the stability of tenure and employment. About 10 percent responded had neutral reaction to the statement. Around 68 percent of employees of Taj agree that they have role and responsibility 20 percent of the employees strongly agree to the statement. A minority of nearly 3 percent responded that they don't have any role and responsibility in the organisation. From the table we can infer that the employees of KTDC i.e. public sector employees believe that they have prominent role and responsibility in the organisation when compared to that of private sector employees.

Table 5:Self-Motivation of Employee

Responds	KTDC		TAJ	
	No.	Percent	No.	Percent
Strongly agree	16	40.0	19	47.5
Agree	20	50.0	19	47.5
Neither agree nor disagree	0	0	1	2.5
Strongly disagree	4	10.0	1	2.5
Total	40	100	40	100

Primary source

The table 5 infers that the half percent of the respondents in KTDC agrees that they want to be best in their job. The 40 percent of employees strongly agree with the statement and the inferences also states that a 10 percent of employees strongly disagrees that they doesn't want to be best in the job they need to be motivated when we take the case of employees in Taj the 95% of the total respondents proportionately agrees and strongly agrees that they need to be best in the organisation this is due to the strong talent management practices implemented in Taj. From this table we can infer that the employees of Taj have are more self-motivation and when compared to that of employees in KTDC.

Conclusion

Motivation improves the human performance and increases productivity it is a universally accepted fact. The reward system has direct influence over the day-to-day performance of employees. The findings of this study reveal that employees of KTDC and Taj are highly motivated and they enjoy the job security and have great pride in the brand image of their respective organisation.it can be easily inferred that workers reward package matters a lot and should be a concern of both the employer and employee. The results from the study state that employees are highly influenced by extrinsic rewards awarded by the employer. Hence, when they felt their effort is unrecognized and rewards are not given, employee tends to express their displeasure through poor performance and un-loyal to their work. So it is mandatory for the organization to consider the needs and feelings of its workforce and fulfill them in order to bring harmony at work, from this study we can conclude that employee motivation and increase in output of employee are directly related. Motivation makes employees to work hard in the interest of the organization which ultimately leads to growth and productivity of the organisation.

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IMPACT OF DEMONETIZATION ON SECTORAL INDICES IN STOCK MARKET – SPECIAL REFERENCE TO BSE INDICES

Aravind C.G, Research scholar in Commerce, University of Kerala, Trivandrum

Dr. G Raju, Dean- Faculty of Commerce, University of Kerala, Trivandrum

Abstract:

On 8th November 2016, Indian government came out with unpredictable move on counterfeit currency, corruption, black money and terrorism by announcing of demonetization and ceasing Rs 1000 and Rs. 500 notes as legal tender. Demonetization led to a situation where the country had suddenly felt short of the money that it needed to enable the transactions. This decreased in prices of goods and services. Until money comes into circulation the purchasing power of people would negatively impact the prices in various industries, it could be real estate, Automobiles, steel, cement, etc. which in turn affect the prices of stocks negatively. The sectors affected by demonetization are Banking, Automobiles, Cement, Consumer goods, Telecom, Real estate, Paint, Pharmaceutical, FMCG, Building Material, NBFC and Agriculture. The impact of Demonetization is a wider topic, this paper will discuss some important effect of demonetization on the stock market.

Key words: *Demonetization, Capital market, Sectoral indices*

Introduction

8th Nov 2016 Indian Prime Minister Narendra Modi took a notable decision by announcing that the high denomination notes (Rs 1,000 and Rs 500) then in circulation would cease to be legal tender. With demonetization effort around 86 per cent of India's currency was nullified that aimed to wash the stock of 'black market's cash supply' and counterfeit notes out of the economy and convert it into the licit, banked and taxable, part of the economy. In India Cash is the preferred mode of transaction and only minor part of the population uses banking system for monetary transactions. The demonization initiative has caused a sudden breakdown in India's informal economy. The trade across all aspects of the economy has interrupted during the initial days of announcement. Growth in cash-intensive sectors such as construction, real estate and FMCG were shows down trend in the short term as consumers are deferring purchases. Even though demonetization move formed adverse short term policy impact and its reduction in overall investments, both in the formal and informal sectors, would certainly reduce economic growth potential.

Statement of the problem

It is claimed that the demonetization decision contains so good consequences in near future. For now, it has made severe contraction in money supply and decreased the demand. The money supply is slowly picking up after circulation of new notes in the market. As a consequence, price level had decreased marginally in demand as use of cards and cheques would pay off for some transactions. The most affected area is real estate and property where a major part of transactions is based on cash. Other than these areas there are certain sectors of the economy depict by the BSE sectoral indices that have been taken in this study for analyzing the impact of demonetization. BSE sectoral Indices represent different sectors of the Indian economy. These indices represent performance of the companies representing movements in

particular sector. This study has been done to analyze the demonetization effect on these various BSE Sectoral indices in India.

Objective of the Study

This study is undertaken to illustrate the consequences of demonetization in the Indian economy, more particularly to analyze the impact of demonetization on sectoral indices in the BSE

Hypothesis

Based on the objective of the study the researcher makes the null hypothesis that “There is no significant variation in sectoral indices in BSE after demonetization.”

Methodology

This study is Descriptive in nature and secondary data were collected from official web site of Bombay Stock Exchange to examine the impact of demonetization on sectoral indices of BSE. In order to analyse the impact of demonetization on stock indices, three months data had been collected starting from 1th October 2016 to 23th December 2016. This study concentrated on 13 sectoral indices that selected randomly from BSE indices such as Automobiles, Banking, Consumer durables, Real estate and Telecommunication etc.

Major consequence of demonetization

The major consequences of demonetization in Indian economy are depicted here:

Interest rates: One of the biggest impacts of demonetization is on the high value transactions, especially land and gold. It had resulted in lower inflation, which had tempted the central bank to reduce interest rates. But another serious impact on interest rates is that the liquidity of the banks has increased considerably. Higher deposit growth and continuing weak credit growth would create opportunities for lending rate cuts and investment activities to pick-up.

Effect on Money Supply: The older 1000 and 500 Rupees notes being scrapped, until the new 2000 and 500 Rupees notes get widely circulated in the market, gradually as the new notes get circulated in the market and the mismatch gets corrected, money supply slowly picking up and become normal.

Effect on Prices: *The general Price level* had lowered due to deficiency of currency and consequently the consumers were forced to control their demand which automatically resulted in go down the prices.

Effect on Various Economic Entities: The major sectors in the Indian economy preferred cash transaction, the demonetization decision affected certain sections of the society which had faced short term disruptions in facilitation of their transactions. These sections are Agriculture and related sectors like:

- Small traders
- SME
- households
- services sector
- retail outlets

- political parties
- Professionals

Economic consequences of demonetization of 1000 and 500 Rupee Notes, The nature, frequency and amounts of the commercial transactions involved with these sections of the economy necessitate cash transactions on more frequent basis. Thus, these segments have the most significant impact due to this demonetization process.

Effect on GDP: The GDP definitely affected by this measure with reduction in the consumption demand. Moreover, the impact of demonetization on GDP did not be significant as some of this demand re-enter the stream when the cash situation becomes normal.

Effect on banks: Demonetization led to more amounts being deposited in Savings and Current Account of commercial banks. It enhanced the liquidity position of the banks, which can be utilized further for lending purposes.

Effect on online transaction and E-payment: Digital transaction systems, E wallets and apps, online transactions using E banking, usage of Plastic money (Debit and Credit Cards), etc. has noticed substantial increase in demand. This should eventually lead to strengthening of such systems and the infrastructure required.

Table 1
Movement in BSE's Sectoral indices (percentage)

	Oct-01 to Nov 8	Nov 9 to Dec 23
SENSEX	2.36	-5.6
Energy	2.13	0.59
IT	4.01	0.54
Oil, gas	-2.42	-0.32
Central PSUs	-2.67	-1.34
Power	2.37	-1.5
Infrastructure	-0.50	-2.30
Healthcare	8.06	-4.43
Metals	-4.67	-4.81
Telecom	3.40	-5.04
Capital goods	4.12	-5.97
Banks	0.28	-8.54
FMCG	-0.58	-10.20
Auto	2.34	-10.64

Basic Materials	-1.86	-10.65
Consumer durable	3.23	-12.68
Realty	5.55	-13.97

Source : www.besindia.com

A look at table 1 shows that:

- In the post November 8 period, the Sensex declined on an average 5.6%. But there are other sectors which were severally affected by demonetization and come down below the average.
- IT and Energy indices had witnessed positive increases compared to the other sectors. IT sector was not that much affected by demonetization because of the thrust being on technology and digitization. The energy sector was affected by this scheme, and the change could be more due to factors pertaining to the industry.

The negative perception that has built up relate to:

- Realty: As cash transactions have been common in most transactions especially in the unorganized segment, the future movement of prices as well as demand is uncertain. It was felt that in the short run, demand would be affected as purchase decisions deferred, though in the medium term lower prices should stimulate demand.
- Consumer durable goods index has also received a setback as a large number of purchase transactions are in cash, especially in rural areas. It was expected that this segment would witness a boost. However, with currency out of circulation temporarily, sales have been affected.
- Auto segment has also witnessed decline in share prices at a faster pace than the Sensex. This is another segment which deals in cash as several purchases are in this form. With attention being diverted more to handling the old notes, consumers have tended to cut back on such spending.
- FMCG price index has also taken a hit, and this is reflective of lower volume of sales as this is one segment which is largely distributed across the smaller retail outlets which operate on cash. Also the SME segment which has a good presence here has been affected due to cash availability that has impacted their business levels as most procurement is also in cash, and the limited availability has affected their prospects.
- Basic metals stock index includes to a large extent the cement companies along with chemicals and steel products. The pessimism here may be explained by the backward linkages with the realty segment which has been affected.
- Banking stocks have taken a major hit post demonetization as they have been subjected to a series of policy changes which has led to excess liquidity, cost of liquidity, limited returns on funds and consequent possible impact on profits, increased possibility of NPA, incidence on agricultural, SME and retail loans.

Table 2
variation of sectorial indices in BSE

	95% Confidence Interval of the Difference					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
BSE Bankex	153.195	21	.000	21494.36318	21202.57765	21786.14871
BSE Auto	118.697	21	.000	20084.88181	19732.98874	20436.77488
BSE Finance	170.951	21	.000	4195.890909	4144.848167	4246.933651
BSE Healthcare	269.214	21	.000	15430.42273	15311.2266	15549.6189
BSE India Infrastructure Index	238.018	21	.000	184.85318	183.2381	186.4683
BSE India Manufacture Index	194.836	21	.000	351.97727	348.2204	355.7342
BSE IT	187.795	21	.000	9555.837272	9450.017628	9661.656917
BSE Power	318.654	21	.000	1980.37818	1967.4537	1993.3026
BSE FMCG	176.088	21	.000	8033.67500	7938.7964	8128.5536
BSE Reality	100.083	21	.000	1269.318	1242.94	1295.69
BSE Basic Material	126.919	21	.000	2333.864	2295.62	2372.10
BSE Consumer Durables	117.169	21	.000	11148.045	10950.18	11345.91

Source: computation value based on BSE data

Based on the data given in table 2 the researcher had studied the variation in sector indices and applied the one sample 't' test for testing the statistical significance of the variations in sectorial indices of BSE which shows that p value is less than .05($p < .05$) in all the cases and therefore the null hypothesis that there is no significant variation in sectorial indices in BSE after demonetization is rejected. Hence it is concluded that there is a significant variation in the sectorial indices of BSE after the demonetization.

Conclusion

In the demonetization removing so much money from circulation has its own impact on several sectors. The BSE Sensex and other sectorial indices are fall down during that period, but there are many other factors besides demonetization that have affected the markets i.e., Donald Trump's elected as president of the US and the subsequent rise in US bond yields and the

strengthening of the US dollar. The negative impact that showed up in stock market after demonetization is slowly being corrected by the market forces and government initiatives.

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