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Does the Future Lie in Manufacturing?

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ABSTRACT

Manufacturing is the growth engine in an emerging economy. Its growth should be higher than that of Gross Domestic Product(GDP), but despite high growth optimism, manufacturing growth prospects continue to be uncertain and discouraging. It is imperative to invest in manufacturing for sustainable high growth trajectory.

This research paper seeks to explore –

1. The euphoria of 7.4% of GDP growth (New Series) and how this optimism is triggered by hopes of revival in industrial and investment activity.
2. How improved manufacturing performance will raise consumption, hence demand for consumer goods and services, leading to greater production.
3. The need of a new complete 'ecosystem' to evolve in manufacturing supported by the 'Make in India' mantra which will then see a pickup in industrial growth in favour of breeding new entrepreneurs resulting in sustained high growth.

Key Words: Growth engine; Value-added; Ecosystem; Human Resource Capability; Capacity utilization; Industrial Productivity; Financial savings; Inflation hedges; Multiplier effect; Capital expenditure: Make in India; Smart factories. .

Introduction:

The International Monetary Fund (IMF) and World Bank have predicted that India is on track to outpace china in the next few years and become the world's fastest growing economy. IMF in its World Economic Outlook (WEO) Report said India is likely to grow 6.5% in 2016-17 higher than 6.3% for China. Earlier World bank said that India is expected to outpace China in 2017-18 with growth of 7% (as against China's 6.9%) on the back of reform initiatives.

The slowdown in China could drag the growth rates of most emerging Asian countries except India. India's growth will not slide with others as it reaps huge net gains from fall in global oil and commodity prices. The weaker external demand is offset by the boost to the terms of trade from lower oil prices and a pick up in **industrial and investment activity** after policy reforms. World growth (according to IMF) for 2015 and 2016 is projected at 3-5% and 3.7% respectively, a downward revision of 0.3% as against October 2014 forecast.

The Chinese Government is slowing down, Russia is tanking, Europe cannot seem to get out of debt and currency crisis, Japan cannot seem to get growth going, Brazil is troubled by more than lower oil prices, while in Europe it is not just Greece and Spain that are the problem, Italy's economy has shrunk for the past 5 years and has enormous debts weighing down in future. The US economy has been the only bright spot in recent months while India's Gross Domestic Product (GDP) has done a rope trick.

Objectives:

Over several decades, India's GDP growth rate has risen steadily. It was below 2.5% in the 1970s. It rose to 4.5% in the 1980s, and to 6% in the 1990s, and to over 7% in the 200-2011 period. The

rolling ten-year GDP average growth rate is about 7.5%. In that sense, the dip to below 5% in the last two financial years is an aberration. Manufacturing, the biggest constituent of Indian industry shrunk 0.7% in 2013-14 against 1.1% growth in the previous year. This long period of **low GDP growth and high inflation** could represent a decadal trough if things turn around.

In the far East, young population was harnessed to build better infrastructure and to boost manufacturing in the early stages of each economic boom. As quality of education and of life improved, the respective economies turned more service-oriented and manufacturing moved to cheaper locales.

The objective of this research paper is to examine how India's confused policy-making and the insane regulations in areas such as labour and land rights, have more or less strangled conventional manufacturing and impacted infrastructure badly as well. As a result, India has an extremely service-oriented economy, given its low per capita income and poor human development indicators. Policy has to change in order to create manufacturing jobs and to allow the creation of better infrastructure.

Research Methodology:

This is a research paper which draws on secondary data of Central Statistical Organisation(CSO) and National Sample Survey Organisation (NSSO). The analysis examines the fact that manufacturing needs to build a new **ecosystem** such that the present boost to GDP growth rate continues to be a sustainable one. Not only should the share of manufacturing rise from 16% to 25% by 2025 through "Make in India", but **manufacturing employment** share should rise above the current 11% of total employment.

Main paper:

Manufacturing sector will play a key role in development as the nation grows more urban and industrialized by providing jobs to a broad spectrum of workers and spurring income growth across different segments of the population.

Key Numbers which make up GDP

Table 1

(% Growth)	FY13	FY 14	FY15
GDP *	5.1	6.9	7.4

GDP is Gross Value Added (GVA) plus indirect taxes (minus subsidies)
At basic constant prices (2011-12)
Source: CSO

Table 2

(% Growth)		FY15	
	Q1	Q2	Q3
Manufacturing	6.3	5.6	4.2
GDP	7.4	6.5	8.2

Source: CSO

Table 3

(%Growth)	Manufacturing
2012-13	6.2
2013-14	5.3

Source: CSO

Table 4

Year	%Share of Manufacturing in GVA at factor Cost
2013-14	17.9

Source: CSO

GDP is now calculated as **Value added** in market prices as against GDP at factor cost in accordance with global standards. Ministry of Corporate Affairs (MCA) data base that offers information for 5,00,000 Companies is used instead of the earlier practice of calculating on the basis of balance sheet of 2,500 Companies. The real GDP in 2014-15 is now projected at Rs 106.57lakh crore as against Rs 99.21 lakh crore in the last fiscal. The Paris-based think tank – the Organisation of Economic Cooperation and Development (OECD) in its Report in Feb 2015 has opined that India's growth at 7.4% is "firming up".

The new series has seen the composition of certain sectors changing – the share of the services sector has been reduced roughly 52% from 57%, while that of manufacturing has gone up to over 18% from 15%.

The change in the base year for computation of National Income (from 2004-05 to 2011-12) and the consequent sharp upward revision in the last fiscal's growth rate has stirred up a hornet's nest – **expansion in output and growth in value addition are not always correlated.** What the new set of GDP data reveals is that over the three-year period (through FY14) when the economy did not do particularly well, companies became more **efficient.** The present high growth rates is puzzling, given that 2013-14 was a crisis year marked by import decline, high inflation, monetary tightening and capital outflows. This is because the general **productivity** of the economy has **improved.** The GDP is a measure of value added. So it is entirely possible theoretically to have a situation when output is completely stagnant but value addition is going up. In other words, production may be constant, but efficiency may have gone up, which means using less input to produce the same output. But it may also reflect that imports may have come down because of less use of material.

The Index of Industrial Production (IIP) which is a measure of physical output has been poor or negative for four years and 1.7 in Dec 2014, but it cannot be wished away. The basic facts remain unaltered: that industry is down and inflation is not really the problem anymore. **Physical output** requires a **push,** notwithstanding the 'value added by the new estimates.

A lot of recent discussion on macroeconomic policy has revolved around the **"output gap"** and the **"potential output"** of the economy. With corporate capacity utilization languishing at around 70%, the majority of economists believe that there is a negative output gap- ie. Growth is well below potential output. Based on the earlier series of GDP data, economists grudgingly admitted that the potential output growth was at best between 6.5% and 7%. With the new series showing a print of 7.4%, potential output growth seems closer to 8.5% than 6.5%.

Looking on the **trade front** exports contracted by 11.9% in Jan 2015 but trade deficit improved marginally because of cheap oil imports. The decline in exports was mainly on account of poor demand from the European and Japanese markets. Further decline in imports reflects slowdown in the manufacturing activities in the country.

While much appears favourable for the economy at present, trend reversals in just a couple of factors – crude oil and global growth for instance – have the potential to undermine the revival.

Creation of an Ecosystem:

1. A pick up in industrial growth will have to be supported by a revival in **Consumer demand,** which has been weak as indicated by the continued fall in consumer goods production. As per the National Manufacturing Policy, manufacturing contributes about 16% to the GDP and the Government is pooling in efforts through the 'Make in India' campaign to increase it to 25% by 2022.

   For example automobile industry is very important for the Indian economy, given its significant contribution to the national GDP.- as a sector it contributes 7% to GDP, and the employment it generates directly and indirectly. Manufacturing requires sustained investment. This could be a challenge as **financial savings** are on the decline. The country's savings rate has dipped sharply since 2008. Financial savings as a percentage of GDP declined from 10.1% in 2008-09 to 7.1% in 2012-13. Savings in physical assets increased from 13.5 to 14.8% in this period. With inflation in double digits since 2009, the real interest rates on financial assets have been negative over the last five years. This is one of the main reasons households preferred to invest their savings in

inflation hedges such as gold. If industry does not give much return on investment, people prefer to keep their money in physical assets such as gold and real estate which are unproductive than in productive financial assets.

With the decline in inflation in recent months, the real rate of interest is now close to 2%. This could probably be the right time to move money into financial assets. To incentivize savings, there is a dire need to increase disposable incomes of households, which could be done by raising the exemption limits and removing surcharges. However the Government should be clear about where the savings would be channeled and which segment it wants to incentivize. For instance if the Centre wants to encourage investments in the infrastructure segment, it should provide tax savings on infrastructure bonds.

2. **RBI's repo rate cut** to 7.75 % has brought much relief to industry. The timing of the cut could not have been delayed further, since industrial output and inflation have confirmed a trend of benign inflation and disturbingly tepid growth. – factory output grew just 2.2% between April and November 2014. An interest rate cut can provide immediate succor on the inventories front and spur demand for automobiles, home loans and other consumer durables, reeling under recession-provided banks pass on the reduction. But for growth to return to a higher trajectory, investments have to go up which can happen only when banks step up lending. Banks need to move from risk-aversion to **growth-promotion, focusing on small and medium enterprises in particular.** India Inc, too, needs to seize the opportunity to deleverage balance sheets and move ahead with investments.

   Typically the reduction of interest rates impacts credit growth for **retail consumers** first i.e fence-sitters react swiftly to such actions and this will kickstart confidence to buy their car or home, as the EMI will have reduced. For a typical loan of Rs 50 lakh loan for 20 years, a 25 basis point (bps) reduction in rates will result in an EMI reduction by about Rs 800. Couple this with the fact that fuel bill of an average household has come down by Rs 500 because of reduction in fuel prices. This leaves an additional Rs 1300 per household in the pockets. When calculated over millions of borrowers, this will lead to a huge spending power, which will raise consumption and, hence, demand for consumer goods and services leading to greater production. At first look 25 bps reduction may appear modest, but the **multiplier effect,** coupled with sentiment is significant.

   Consumers are understandably cautious, having seen a difficult period of sustained high inflation. Most **infrastructure** developers are still hurting under huge debt burden and poor returns on their investment. Both the Government and the RBI have to complement each other if the economy has to revive quickly. Since private sector plays an important role in infrastructure formation, it is imperative to work out an innovative and fair bailout mechanism involving the Government, banks and the private infrastructure developers.

3. **Smart Factories:** A Research and Consulting Firm, Frost and Sullivan has recently brought out a white paper on 'Enhancing India's Manufacturing' where it has said that the Indian manufacturing sector is on the verge of scripting a new chapter for itself. Conventional manufacturing shop floors have been converted into smart, safe and environmentally sustainable ones by Information Technology(IT). Smart factory is a smart environment which is closely and invisibly connected with sensors, actuators, displays and computer elements , all connected by a network. It is a single functioning mechanism, seamlessly co-ordinating every aspect of manufacturing. They have the ability to interact with customers and business partners with great adaptability and efficiency. The smart manufacturing process facilitates the flow of information about the manufacturing process whenever and wherever required as well as the form it is needed in across entire manufacturing supply chains and complete product lifecycles. Increased operational efficiency, and worker productivity, increased equipmwnt effectiveness, low technology cost owing to converged network, high flexibility due to real-time tracking of information on operation, inventory and supply chain and ease of customization of products.

Conclusion:

With Government's agenda of turning India into a manufacturing hub for the world, it will take more than cheap labour to pull global companies to use Indian resources and services for their products; it will need **good quality human resource capability** that can deliver at par with standards in their nations. Technical skills, soft skills and extensive exposure to entrepreneurship is needed to enhance development. The induction of global manufacturing practices on a large scale will bring a paradigm change in the growth of the manufacturing sector.

Thus new manufacturing involves a **completeecosystem**that goes into the making of a product. This new ecosystem will be the cogs that turn the wheel of India's journey to a $10 Trillion economy in about a decade and a half.

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"Evaluation of Efficacy of the Consumer Disputes Redressal Agencies in India"

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ABSTRACT

Consumerism is getting momentum in India. The enactment of Consumer Protection Act, 1986 is the landmark legislation to protect the consumers. The paper attempts to evaluate efficacy of the Consumer Disputes Redressal Agencies in India.

Though these agencies are striving hard to dispose the cases, still large number of cases is pending in Consumer Courts in India. Certain immediate measures through improvement in existing functioning of these agencies and by evolving new model or alternative by using information technology tools are needed. All stake holders should be proactive to resolve the consumer problems so as to make business world the place of worth trading and transacting.

Key Words: Consumerism, consumer forums, grievance settlement machinery, justice, pendency of cases

Introduction:

The Consumer Protection Act, 1986 is enacted to protect the interests of consumers in a better manner. It gives power to helpless consumer to fight for his rights as against powerful business organizations. The Act intends to give simple, speedy and inexpensive redressal mechanism to the consumers for resolving their grievances. The Consumer Protection Act has liberalized rigid procedural requirements and introduced simple and easy methods of access to justice. Even a simple letter addressed to the consumer forum draws enough attention to initiate legal action. Even one can plead his own case in the consumer forum without even engaging a lawyer.

Knocking the doors of civil courts and trying to get justice was not a simple task for an ordinary consumer. Huge pendency of cases in the civil courts would have created agony in the minds consumers and "justice delayed justice denied" would have become unpleasant truth of our legal system.

Consumers' Disputes Redressal Agencies in India:

The Consumer Protection Act, 1986 seeks to protect the interests of consumers' and tries to prevent exploitation of consumers'. It provides three tier machinery which consists of District Consumers'' Disputes Redressal Forum, State Consumers' Disputes Redressal Commission and National Consumers' Disputes Redresssal Commission.

The most important feature of the Consumer Protection Act, is the provision for setting up machinery for resolution of consumers' disputes. This quasi-judicial machinery is generally called as 'consumer courts'. This three tier machinery is at National, State and District level. The National Consumers'' Disputes Redressal Commission (i.e. National Commission), is the apex authority situated at Delhi. In each State, State Consumers' Disputes Redressal Commission (i.e. State Commissions), and in each District, District Consumers' Disputes Redressal Forum (i.e. District Forum) have the responsibility to dispense justice to the consumers'.Though the Consumer Protection Act enacted in the year 1986,for actual functioning of consumers' fora started in the year 1990.

Statement of Problem:

Consumer Protection Act, guarantees speedy, in expensive and simple justice to the consumers' through consumers' disputes redressal agencies.

It was expected that through this alternative disputes redressal mechanism, consumer avail justice. Hence, it is pertinent to analyze, whether this alternative quasi-judicial justice delivery system for consumer is successful in its endeavor.

Success of Consumer Protection Act is dependent upon its effective implementation. 25 years is the reason able period or a right period for investigating present status of consumerism in India.

Objectives:

1) To analyze the number of cases filed / disposed-off at National, State and District Level.
2) To compare the efficacy of these forums among themselves.

Research Methodology:

The method used for this study is investigative in nature and it examines the performance of consumer disputes redressal agencies' functioning at National, State and District Level in India.

The objective of the present research is to analyze the number of cases filed / disposed and compare their performance of such forums at National, State and District level. The study is based on secondary data collected from Annual reports, journals, books published by various institutions / government and through websites, articles etc.

Analysis and interpretation:

The Consumer Disputes Redressal Agencies created by Consumer Protection Act in India have proven to be effective in disposing of thousands of cases with few legal formalities and trying to lead towards the well-founded consumer jurisprudence in India. Besides substantial disposal of cases by consumer fora, the huge backlog of pending cases exists and it has become a matter of concern for Indian legal system to have even further improvement in the existing system and if necessary to think about even alternatives for speedy disposal of consumer cases.

Analysis of cases filed / disposed at various consumer disputes redressal commission:

Table 'A' Statement of Cases Filed / Disposed-off / Pending in the National Commission and State Commissionss (Update on 31.03.2014)

Sr. No.	Name of State	Cases filed since inception	Cases Disposed-off Since Inception	Cases Pending	% of Disposal	As on
	National Commission	**88166**	**76731**	**11435**	**87.03**	**31.03.2014**
1	Andhra Pradesh	30404	29087	1317	95.67	28.02.2014
2	A & N Islands	42	38	4	90.48	31.01.2014
3	Arunachal Pradesh	68	66	2	97.06	31.01.2014
4	Assam	2653	2293	360	86.43	28.02.2014
5	Bihar	17332	12087	5245	69.74	31.12.2013
6	Chandigarh	13032	12912	120	99.08	31.12.2013
7	Chhattisgarh	9379	8697	682	92.73	28.02.2014
8	Daman & Diu and Delhi	25	20	5	80.00	31.03.2011
9	Delhi	37005	34363	2642	92.86	28.02.2014
10	Goa	2486	2441	45	98.19	28.02.2014
11	Gujarat	47867	43953	3914	91.82	28.02.2014

12	Haryana	43999	43644	355	99.19	28.02.2014
13	Himachal Pradesh	8381	8134	247	97.05	28.02.2014
14	Jammu & Kashmir	6727	6170	557	91.72	31.03.2013
15	Jharkhand	5271	4774	497	90.57	31.12.2013
16	Karnataka	46699	42847	3852	91.75	28.02.2014
17	Kerala	26815	25160	1655	93.83	28.02.2014
18	Lakshadweep	18	16	2	88.89	28.02.2014
19	Madhya Pradesh	44813	38835	5978	86.66	28.02.2014
20	Maharashtra	58904	45091	13813	76.55	30.06.2013
21	Manipur	139	96	43	69.06	30.09.2008
22	Meghalaya	262	175	87	66.79	31.10.2012
23	Mizoram	207	201	6	97.10	31.12.2013
24	Nagaland	25	6	19	24.00	31.12.2011
25	Orissa	22360	16036	6324	71.72	30.09.2013
26	Pondicherry	975	955	20	97.95	31.01.2014
27	Punjab	30377	24737	5640	81.43	30.06.2013
28	Rajasthan	54042	49413	4629	91.43	31.01.2014
29	Sikkim	42	41	1	97.62	31.12.2012
30	Tamilnadu	25212	22866	2346	90.69	31.01.2014
31	Tripura	1559	1456	103	93.39	28.02.2014
32	Uttar Pradesh	70955	43262	27693	60.97	31.01.2014
33	Uttaranchal	5034	4110	924	81.64	31.01.2014
34	West Bengal	19224	16926	2298	88.05	30.06.2013
	Total	**632333**	**540908**	**91425**	**85.54**	

Table 'B' Statement of Cases filed/disposed-off/pending in District Fora (Update on 31.03.2014)

Sr. No.	Name of State	Cases filed since inception	Cases Disposed-off Since Inception	Cases Pending	% of Disposal	As on
1	Andhra Pradesh	196628	190457	6171	96.86	28.02.2014
2	A & N Islands	330	301	29	91.21	31.03.2006
3	Arunachal Pradesh	408	348	60	85.29	31.01.2014
4	Assam	13704	11976	1728	87.39	31.08.2010
5	Bihar	94345	81161	13184	86.03	31.12.2013
6	Chandigarh	48859	47686	1173	97.60	31.12.2013
7	Chhattisgarh	39209	36110	3099	92.10	28.02.2014
8	Daman & Diu and Delhi	162	144	18	88.89	31.03.2011
9	Delhi	249505	234740	14765	94.08	31.12.2012
10	Goa	6617	6158	459	93.06	28.02.2014
11	Gujarat	183958	172909	11049	93.99	28.02.2014
12	Haryana	229221	215053	14168	93.82	28.02.2014
13	Himachal Pradesh	59217	56154	3063	94.83	31.01.2014
14	Jammu & Kashmir	20792	18855	1937	90.68	31.12.2007

15	Jharkhand	35437	31628	3809	89.25	30.11.2013
16	Karnataka	164258	157606	6652	95.95	28.02.2014
17	Kerala	187739	178721	9018	95.20	28.02.2014
18	Lakshadweep	77	65	12	84.42	28.02.2014
19	Madhya Pradesh	195980	181727	14253	92.73	28.02.2014
20	Maharashtra	265476	241398	24078	90.93	30.06.2013
21	Manipur	1037	1012	25	97.59	30.09.2008
22	Meghalaya	847	750	97	88.55	31.10.2012
23	Mizoram	3466	2819	647	81.33	31.12.2010
24	Nagaland	290	266	24	91.72	31.12.2011
25	Orissa	96218	88912	7306	92.41	30.09.2013
26	Pondicherry	2983	2743	240	91.95	28.02.2014
27	Punjab	158946	153479	5467	96.56	30.06.2013
28	Rajasthan	310192	279489	30703	90.10	31.01.2014
29	Sikkim	296	280	16	94.59	31.12.2012
30	Tamilnadu	106274	99768	6506	93.88	31.01.2014
31	Tripura	3018	2904	114	96.22	28.02.2014
32	Uttar Pradesh	595574	519542	76032	87.23	31.01.2014
33	Uttaranchal	36357	33765	2592	92.87	28.02.2014
34	West Bengal	90611	85263	5348	94.10	30.06.2013
	Total	**3398031**	**3134189**	**263842**	**92.24**	

The table 'A' shows the total number of cases filed in the National Consumer Disputes Redressal Commission of India till 31.03.2014 is 88166. The Table categorically shows that 87.03% of the cases filed since inception of NCDRC of India have been disposed-offf and only 12.07% are pending.

So far as State Commissions are concerned, the total number of cases filed in the State Consumer Disputes Redressal Commission of India till 31.03.2014 is 6,32,333. It is clear from this table that 85.54% of the cases filed since inception of the State Commissions have been disposed-off and 14.46% are pending. Though, the State Commissions have disposed 5,40,908 cases so far, still 91,425 cases are pending. The total number of State Commissions is 34 and disposing-off, these remaining pending cases will be a challenging task for all State Commissions.

The table 'B' reveals that total number of case filed in the District Consumer Disputes Redressal fora of India is 33,98,031 till 31.03.2014 and it shows that 92.24% of cases filed since inception of these fora have been disposed-off and only 7.76% are pending.

Hence comparatively the District forum's performance is better than National and State Commissions.

The Table 'B' exhibits the cases filed and disposed-off at the District Consumer Disputes Redressal Forums:

From this table it is observed that Haryana ranked first with 99.19% and Mizoram ranked last with 81.33% on the basis of disposal rate of the cases.

Table 'C'

Particulars	**National Commission**		**State Commission**		**District Forum**	
	No. of Cases	**%**	**No. of Cases**	**%**	**No. of Cases**	**%**
Cases disposed-off since inception	76731	87.0%	540908	96.8%	3134189	92.2%
Cases pending	11435	12.9%	6171	3.1%	283842	7.7%
Total cases filed since inception	88166	100%	632333	10%	3398031	100%

Table 'C' shows the juxtaposition of cases filed / disposed-off and pending in all these three forums. It is clear that rate of disposed cases is higher in State Commissions than National Commission and District Forums.

If we take total of all pending cases before these three-level consumer disputes redressal agencies in India, it comes to be 3,01,448.

Table 'D'

Particulars	**No. of Cases**	**%**
Cases disposed-off since inception	37,51,825	92.56%
Cases pending	3,01,448,	7.44%
Total cases filed since inception	40,53,276	100%

That means average, disposal of consumer cases in National, State and District level commissions/ forum is 92.56%. Hence though all the machinery has worked well, still challenge remains to be able to dispose of more than 3 lakhs of cases.

Lack of awareness of CP Act among consumer, inadequate staff, non-appointment of Presidents and members on-time, lawyers' delay tactics, huge number of filing of cases are the few probable reasons of pendency of cases in there consumer courts.

Suggestions:

1) Besides school and colleges, consumer awareness programmes be organized for common man through non-governmental organization.
2) Pro-active efforts be made to sensitize rural consumers through various means of communication channels.
3) Policy makers, traders and consumers should be brought on the common platform to exchange information of mutual interest for better co-ordination and consensus on debatable issues.
4) Simplified procedure for speedy disposal is required to be evolved. On-line disputes redressal mechanism through these consumer courts be evolved to delivery speedy and inexpensive justice.
5) Consumer Protection Councils are required to be strengthened so as to protect the rights of the consumers.
6) Government can play significant role by providing adequate infrastructure for forums, online support, timely appointment of staff and allocating enough funds for the consumer protection.
7) Business organization should design their in-house grievance settlement machinery before consumer moves consumer forums.
8) Consumers' organization / groups / associations should conduct and represent cases on behalf of consumer before such forums and guide them at every stage without charging fees so as to avail justice to poor consumers.
9) The government should encourage such consumer organizations by awarding cash prizes or awards for their dedicated work for the cause of consumers' rights.
10) The huge number of pending cases be disposed of by organizing *lok-adalats* quite frequently and the circuit benches of these forums be established at convenient places so as to take justice to the doors of the litigant-consumers.

Conclusion:

It requires serious attention towards huge pendency of cases before consumer disputes redressal agencies in India and to make provision of further improvement in the procedure and their functioning.

Pro-active involvement of government, positive and innovative approach of schools, Colleges, Training Institutes, NGOs, the electronic and print media would help to improve the present state of affairs.

'Citizens Character' and code of conduct for the manufacturing or service providers should be an integral part of functioning of any business entity. It is necessary to have total commitment to the

consumers' cause and social responsiveness to consumers' needs so as to make business world a better place for trading and transacting.

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Trends in Women Entrepreneurship in India

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Objective of this paper
To analyze the trends in the growth of Women entrepreneurs in India
To identify the factors of hindrance for women entrepreneurs

INTRODUCTION

Text: Overall 40 to 50 percent of all businesses are owned by women in the developing countries. Women entrepreneurs have evidently more to acquire than their male counterparts, but the socio-cultural environment in which women are born and raised hinders them. In India Entrepreneurship is very limited amongst women especially in the formal sector, which is less than 5% of business during the last two decades. According to online studies conducted earlier this year for rankings on the best places for female entrepreneurship, India went up on the list compared to its position in 2013. India's female entrepreneurship environment exposes statistics of improvement with respect to women finding opportunities to start ventures (60%), validation with respect to skills (52%) and do not feel the impending doom of failure for their startup (57%)

Concept of Women Entrepreneur

A woman entrepreneur is a woman who starts and owns an enterprise by investing at least 51% in an enterprise

Categories of Women entrepreneurs

1. Women in organized and unorganized sector
2. Women in traditional and modern industries
3. Women in urban and rural areas
4. Women in large scale and small scale industries
5. Single woman and joint venture

Categories of women entrepreneurs in practice in India

1st category

1. Established in big cities
2. Having higher level technical and professional qualifications
3. Non traditional items
4. Sound financial position

2nd Category

1. Established in cities and towns
2. Having sufficient education
3. Both traditional and non traditional items
4. Undertaking women services – kindergarten, crèches, beauty parlours, health clinic

3rd Category

1. Illiterate women
2. Financially weak

3. Involved in family business such as agriculture, horticulture, animal husbandry, dairy, fisheries, agro forestry, handloom, powerloom etc.

Research Methodology

Secondary data has been contributed to write this paper. Various articles, books, group of people were consulted prior to writing this paper.

Highlighting the trends over period of years in women entrepreneurship is the focus of this paper. The paper also highlights the various obstacles faced by women entrepreneurs.

Limitations: This paper is based on secondary research conducted on the subject and provides a limited view.

Trends in Women entrepreneurship in the last few decades

In the area of women entrepreneurship, government policies and promotion strategies have been giving new opportunities to women, few have come forward. According to the same MSME annual report 2011-2012, only 13.72 percent of enterprises in the registered MSME sector were enterprises managed by women representing about 2.15 lakh across the country.

Ownership by gender of owner

The proportion of women-managed enterprises is slightly higher in rural areas than in urban areas.

Table 2: Percentage Distribution of Enterprises by Gender of Owner in Rural and Urban Areas

Area	Female	Male
Rural	15.27	84.73
Urban	12.45	87.55
All	13.72	86.28

Source : MSME annual report 2011-12, Ministry of MSME, Government of India

Existing research on Women entrepreneurship

A report published by ESCAP in 2005 titled "Developing Women Entrepreneurs in South Asia" pointed out that in India, a majority of women entrepreneurs in SMEs fall within the age group 25-40 years.

The states of Gujarat, Maharashtra and Karnataka count a greater proportion of entrepreneurs, mostly women from families which are already in business or have service-related backgrounds.

The Indian society has evolved as a traditionally male-dominated one. Women tend to be considered as the weaker sex and socio-economically depended on men throughout their life. Women mostly occupy subordinate positions and execute decisions generally made by other male members of the family. Despite an equal population, very few women were self-employed and the majority of them were engaged in the informal sector like agriculture, agro-based industries, handicrafts, handloom and cottage-based industries.

- Sixty-five per cent of the population in India live in villages; Self Help Groups (SHGs) have paved the way for economic independence of rural women involved in micro entrepreneurship.

Major Hindrances

Support and approval of the husbands seem to be a necessary condition for women's entry into business. Lack of such family approvals make for a considerable hindrance for women

When family members are not in favour of supporting their ladies to take up the business, naturally they do not support with the finances required for starting a new business unit. Banking and financial sector feel the same way and often refuse finance on the bases of gender bias.

Many women led business enterprises have imperfect organizational set ups as compared to men.

KEY CHANGES IN WOMEN ENTREPRENEURS IN LAST FIVE DECADES

1. WOMEN ENTREPRENEURS OF THE FIFTIES:
   Compulsive factors led to the creation of women entrepreneurs.
2. WOMEN ENTREPRENEURS OF THE SIXTIES: Women began to aspire but also accepted the social cultural traditions.
3. WOMEN ENTREPRENEURS OF THE SEVENTIES:
   The women in this decade opened up new frontier. They had not only aspiration but ambition
4. WOMEN ENTREPRENEURS OF THE EIGHTIES:
   Women were educated in highly sophisticated, technological and professional education. They became equally contributing partners.
5. WOMEN ENTREPRENEURS OF THE NINETIES:
   This was the first time when the concept of best rather than male heir was talked about.
6. WOMEN ENTREPRENEURS OF THE 21st Century:
   "Jill of all trade

Role of women as an entrepreneur

Considering the flow of women entrepreneurs in the traditional industries, it is often criticized that the women entrepreneurship is engaged only in handloom and handicraft and in the non-traditional term,

Now, their aspects have broadened into new line like hotel line, Xeroxing, Beauty Parlor business, incense stick making, candle making etc. In the last decade, there has been a remarkable shift it emphasizes from the traditional industry to non-traditional industry and services. Based on this concept, some important opportunities are being identified, considering the socio-economic, cultural and educational status and motivational level of women entrepreneurs, particularly projects with low investment, low technical know-how and assured market are suggested for them such as production of soaps, detergents, ready- made instant food products including pickles, spices, papad, manufacturing of wooden goods, beauty parlor business, typing centre, job contracts for packaging of goods and distribution and household provision etc.

Shri Mahila Griha Udyog Lijjat papad– Started by started by seven Gujarthi women from Bombay (now Mumbai) in 1959

At present Role of women as an entrepreneur

Herbal Heritage– Ms. Shahnaz Hussain – prominent Indian female entrepreneur, who is best known for her herbal cosmetics.

(Shahnaz Husain group has over 400 franchise clinics across the world covering over 138 countries)

Balaji films- promoted by Ekta Kapoor and Shobha Kapoor

Kiran Mazumdar Shaw – is an Indian entrepreneur. She is the chairman and managing director of Biocon Ltd, a biotechnology company based in Bangalore. She is on the financial times top 50 women in business list. As of 2014 she is listed as 92nd most powerful woman in the world by forbes.

Zia Mody – Indian legal consultant. She started her own practice in Mumbai in 1984, which she merged twice with other firms to form AZB & Partners one of India's largest law firms, where she is the managing partner

Successful Leading Business Women in India

1. Akhila Srinivasan, Managing Director, Shriram Investments Ltd
2. Chanda Kocchar, Executive Director, ICICI Bank
3. Ekta Kapoor ,Creative Director, Balaji Telefilms
4. Jyoit Naik, President, Lijjat Papad
5. Kiran Mazumdar-Shaw, Chairman and Managing Director, Biocon
6. Lalita D Gupte, Joint Managing Director, ICICI Bank
7. Naina Lal Kidwai ,Deputy CEO, HSBC
8. Preetha Reddy, Managing Director, Apollo Hospitals
9. Priya Paul, Chairman, Apeejay Park Hotels

10. Rajshree Pathy, Chairman, Rajshree Sugars and Chemicals Ltd
11. Ranjana Kumar ,Chairman, NABARD
12. Ravina Raj Kohli, Media personality and ex-President, STAR News
13. Renuka Ramnath, CEO, ICICI Ventures
14. Ritu Kumar ,Fashion Designer
15. Ritu Nanda, CEO, Escolife
16. Shahnaz Hussain, CEO, Shahnaz Herbals
17. Sharan Apparao, Proprietor, Apparao Galleries
18. Simone Tata, Chairman, Trent Ltd
19. Sulajja Firodia Motwani, Joint MD, Kinetic Engineering
20. Tarjani Vakil, former Chairman and Managing Director, EXIM Bank
21. Zia Mody, Senior Partner, AZB & Partners

Conclusion:

Women entrepreneurs make a significant contribution to the Indian economy. There are nearly three million micro, small and medium enterprises with full or partial female ownership.

Today's women entrepreneur represents a group of women who have started exploring new possibilities of economic participation.

Self Confidence, self esteem, educational level and knowledge make women handle different tasks in life.

Women entrepreneurs not only require motivation in the form of financial assistance, government permissions, they may require support from family members and life partners.

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Business Ethics- Ethical business-A Dilemma

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ABSTRACT

Many of our social conventions have emerged from the feudal past and are designed to create trust between smaller groups rather than crafting, a wider are of social co-operation that involve other people in all group

These fractions may be on account of caste-creed-community or" race-region-religion". In general citizens use tactics and strategies such as money power-muscle power-maneuvering- manipulation---------- to fulfill their (short term) goals.

Measures of social heterogeneity that have been emphasized in the recent empirical literature on public goods relevant

But not overwhelming in their importance.

The decline and continuous erosion of moral, value systems is ultimate making an adverse impact and influence on trust and binding and that too quietly and unassumingly.

Every Aspect of Life Covers

Social –emotional-ethical, political-legal-economical- technological impact. Walking what one is talking is becoming rarest. The learners made an attempt to assemble the teaching of every religion and respective authorities here. After all *'Dharm'* has been defined as '*dharayate s: dharma'*

Methodology: Descriptive Based on published literature.

Study: Empirical

On a Sunday evening: on the main street along with some senior member were crossing the road. In fact the signal was red however everyone riding on their 2 wheeler or 4 wheeler was in a hurry. Their time was precious. We were the pedestrians. What did we witness! Drivers cut the lane, jump signals park, at will and bully pedestrians. A young person without yellow or green signal started the vehicle, brushed an old person and without waiting accelerated the vehicle and gone with the wind another grown up person (senior citizen) commented that: the behavior of general public explains us the environment of law without order and order without law another person joined. He claimed that the shopkeeper gave him less quantity at higher price and when he went for justice he was driven away by the strong and stout people working in his shop.

The problem is that many of our social conventions have emerged from the feudal past and are designed to create trust between smaller groups rather than crafting, a wider are of social co-operation that involve other people in all group

These fractions may be on account of caste-creed-community or" race-region-religion". In general citizens use tactics and strategies such as money power-muscle power-maneuvering- manipulation---------- to fulfill their (short term) goals.

Measures of social heterogeneity that have been emphasized in the recent empirical literature on public goods relevant

But not overwhelming in their importance.

The decline and continuous erosion of moral, value systems is ultimate making an adverse impact and influence on trust and binding and that too quietly and unassumingly.

Every Aspect of Life Covers

Social –emotional-ethical, political-legal-economical- technological impact. Walking what one is talking is becoming rarest.

We were compelled to practice globalization. The new signs of a global slowdown are darkening the economic outlook.

Recently in a rotary International Summit I learnt: "To get Better is one must often ask- to get better is our responsibility and respects. We must optimize living life is about growing up about evolving into better forms external evolution is unstoppable we age-our appearance our reflexes, our capabilities change we certainly evolve when we want to.

The fundamental purpose of life is TO BETTER all that we can- I am getting better becomes meaningful when we contribute to the wellbeing of others. We must help others. I cannot better myself unless I better others is the new norms.

Happiness is a perfume you cannot pour on others without getting a few drops on yourself.
I is a very wonderful experience to improve the lives of others.

There is a supposed antagonism in ideology, value mannerism and political aim in between different people.

P.P. Swami Someshwaranand a The chairman Vivekananda Center for Indian management Indore, while writing the forward to the book titled Ethics in Management, authored by S.A. Sherkar (Published by Himalaya Publishing House) Stated that---------- value oriented approach and holistic approach are interrelated and inter connected-I am to grow along with others--- this is the foundation of all values. One is to works for one's inner growth and for the good of the world. This is the foundation of values it is holistic an it embraces all.

In an article in Harvard Business Review (July-Aug 2012) it is indicated that; it takes years to alter how people think, feel, behave, and ever then the differences may not be meaningful.

When that is the case, an organization with an old, powerful culture can devote into disaster Mr. C. S. V. Murthy in his book, Business Ethics And Corporate Governance (Himalaya Publication House) Edition 2013 page 2 have indicated that In any organization at all levels: ethics is considered as every body's business. It is to conduct one of the business most important social challenges, ethically at the same time simultaneously.

The ultimate aims of ethics moral values are peace for all, harmony, understand, and trust, dignity to all living bodies and mankind. The difference, if any is to be overcome and eradicated.

Recently in an informal meet the learners got an opportunity to have a dialog with people of heterogeneous castes creed and communities. The learners asked that what the sacred massage of your religion is. Please mention in one simple sentence. A person following Hinduism stated: The teaching is Ohm Sabranavatoo sahanau bhunuktoo------"It means peace, prosperity, tranquility, health, hygiene love to all. A person represent ng Muslim community stated " Jazakalla Khair" meaning As you sow. So it ripens. Hence do only good deeds and keep unstinted high character. A person following christionality stated that: Love even thy enemy" Jains indicates Yoga karmasu kaushlyam. Buddhism focases on sheel (character high values Samadhi)(equilibrium of mind, body and soul) praduja(pursuit of ultimate truth, knowledge and wisdom) and yoga (the art of living.

We concluded the definition of ethics –values system-morale remains unchanged.

This prompted and promoted us to ponder the teaching of various religious.

The learners assembled after scanning the related and relevant literature, the scattered information.

And the same is capsuled here below.

Business ethics in Hinduism

Hinduism has a positive attitude towards business and creating wealth, yet wealth is not the supreme goal. Ethics (dharma) and salvation (moksha) are more important.
(ref :- How World Religions View Business Ethics Melé Carné, Domènec Religious foundations of business ethics 2006 , Praeger Publishers)
About leadership and responsibility

"Fire burns one man only, if he carelessly approaches it, the fire of a king's (anger) consumes the (whole) family, together with its cattle and its hoard of property." - (7.9, Manusmritti, 1500 BC)

"Having fully considered the purpose, (his) power, and the place and the time, he assumes by turns many (different) shapes for the complete attainment of justice. - (7.10, Manusmritti, 1500 BC)

About wisdom

As the Bhagavad Gita says:

sattvā sañjāyate jñānam rajasolobha eva ca pramāda-mohau tamaso bhavato 'jñānam eva ca (14.17, The Bhagavadgītā)

which means that it is from ethical & moral conduct comes wisdom (Sattwa); passion leads to greed (Rajas); ignorance and inactivity leads to illusion

Through spirituality wisdoms of the Vedas,

Upanishads, Bhagavad Gita, etc. we can not only promote a more ethical and responsible leadership on an individual or institutional level but also move towards the direction of restoring World peace and a better world economic order through coupling globalization with spiritual congruence.

Finally, it is through the Guna theory and an analysis of the delicate balance that exists in the three gunas (viz., Sattwa, Rajas, and Tamas) that we can understand the reasons for decision-making failures on an individual level which ultimately leads to organizational or institutional failures. Some of the recent failures of companies which were revered in their industry can be explained through this Guna theory.

(Modern Management Through Ancient Indian Wisdom: Towards a More Sustainable Paradigm, Anindo Bhattacharjee, Lecturer, School of Management Sciences, Varanasi)

With a good society and good governance as its aim, Yajur Veda lays down the responsibilities of the king/leader of the community organization thus:

The leader should shower more wealth and riches specifically on teachers, scholars, army officers, and diplomats to keep them motivated for performing better.

Considering the philosophical credit of Hinduism, it can be said to be based on the four pillars of *Dharma* (way of life), *Artha* (wealth and prosperity), *Kaam* (desires) and *Moksha* (nirvana). Further, the teachings of *Vedas*, *Smriti* (especially *Manusmriti*), the two epics, *Ramayana* and *Mahabharata*, and other religious literature have played an important part in the develo pment of the society from every conceivable perspective.

(www.himanshurai.com)

The Vedic distinction between *Rju* (straight) and *Vran* (crooked) and the Upanisadic distinction between *Sreyah* (desirable) and *Preyah* (pleasurable) have much to do with the origin of the sense of right and wrong and hence can be related to ethical and unethical behavior in the context of modern day business ethics.

Gita has prescribed certain duties which were common to all, which can be related to corporate ethics. These are forgiveness, self-control, non-stealing, steadiness, truthfulness, wisdom, and learning. Gita prescribes that, if actions are performed with an unattached mind, then their defects cannot touch the performer, as the goodness or badness of an action depends upon the inner motive of the action. If there is no motive of pleasure or self-gain, then the action performed cannot bind the performer.

Gita gives emphasis on integration, synthesis and team-sprit for peaceful co-existence and mutual interdependence. Indian ethos prescribes that a man should be able to control himself first, before he can control anybody else. Every manager must manage himself first, before he can even try to manage anybody else. Self analysis through introspection is essential to know and discover oneself. Self-analysis and self-criticism helps to locate areas of friction and disharmony. Constant practice or *Sadhana* helps to discard unwanted traits and cultivate good

values to purify mind and heart.

'Dharma' in the context of Indian philosophy may be broadly taken as equivalent to 'ethical behavior' and 'Adharma' as 'unethical behavior'. The equivalence is by no means perfect. As a matter of fact dharma, as used and understood in the Indian tradition, is a term of very wide connotation including within it the sense of a whole host of duties as well as virtues which ought to be performed

by the man. Dharma is that through which both material prosperity and highest good are achieved. Whatever is conductive to worldly prosperity as well as to highest good is dharma. Dharma in India philosophy means 'duty' and is almost synonymous with integrity and rightness. Dharma stands for all those ideals, philosophies, purposes, influences, teachings and experiences that shape our character (ref :- Indian Philosophy and Business Ethics:

A Review -Chandrani Chattopadhyay Advances in Management & Applied Economics, vol.2, no.3, 2012, 111-123 ISSN: 1792-7544 (print version), 1792-7552 (online) Scienpress Ltd, 2012

Business Ethics in Buddhism

Magga, the Buddhist system of conduct, contains one factor known as sammā-ājīva, which means right livelihood, indicating that Buddhism also accepts the importance of economics. Buddhism admits and confirms the importance of material things, particularly the four supports, as appears in the Buddha's statement, for instance, that 'sabbe sattā āhāraṭṭhitikā,' 8 which translates as "all beings subsist on food." Requirements for the four supports must be in a proper amount for the body to work normally—safe and free from illnesses—in order that one can perform duties and cultivate higher mental virtues and wisdom

The principle in relation to consumption is not to consume playfully, not to be infatuated with consumption, and not to consume for ornamentation or decoration, but for subsistence of the body, for life to go on, for the relief of physical discomfort and painful feelings such as hunger, and to live comfortably enough to practice higher levels of dhamma. The other three supports, dwelling, clothing, and medicine, also apply similar principles, as follows: Dwelling: for protection from natural dangers such as wind and sunlight. Clothing: for protection from harmful animals, insects, cold, heat,etc. Medicine: for relief of physical pains caused by illnesses.

Buddhism also allows householders to seek wealth and possess it in accordance with their ability and readiness, but within limitations and so long as it does not entail exploiting themselves and others. This point agrees with the right of ownership in the liberal economy. However, Buddhism not only sees a great deal of wealth as allowing the owners to bring well-being to themselves, their families and their dependents, but also expects that they will use the wealth they have acquired to help other people in society as well as to support religious activities

Wealth should be our servant, our tool for creating benefit and goodness, for helping relieve suffering, and bolstering happiness. It should not be allowed to cause us more suffering, destroy our mental health, destroy human values, or cause alienation among human beings.

The proper conduct concerning wealth according to Buddhist ethics can therefore be summarized as follows:

1. Seeking: seeking wealth rightfully
2. Using:

a) to support oneself (and one's dependents)
b) to share with others
c) to contribute to beneficial and meritorious activities

3. Attitude toward wealth obtained: not to be infatuated with wealth, but utilize it mindful of its advantages and disadvantages, to have a mind that is free and to use wealth for further spiritual and intellectual development.

Poverty and need are important causes of crimes and social evils, 21 and it is considered the responsibility of the state or government to look after and apportion wealth to poor citizens and to remove poverty from the land. To do this, many methods are required, in keeping with each situation, especially creating opportunities for the people to pursue honest livelihoods,

Production activities according to Buddhism must therefore be in harmony with the ecology and must contribute to the normal balance of nature. So production according to Buddhist ethics should be of goods and services that are not harmful to life, but are beneficial to the conduct of a good life (sammāmagga), taking into consideration benefits to the body and the mind as well as to preservation

of the environment. Goods that damage physical or mental health and the environment are, according to Buddhism, of little or no benefit. Thus production according to Buddhism is such that it aims for happiness and peace for the members of society, allowing them to support their lives reasonably according to their incomes, neither too poorly nor too extravagantly, and not causing difficulties to others.

When communal problems occur, all people get together to correct them with mutual goodwill (mettā). This is called mettāmanokamma: establishing kindly mental actions, establishing mental actions that are imbued with goodwill, love, benevolence, and the desire to look on each other without aversion, danger or exploitation. Both parties must try to develop this kind of feeling and not push the burden to only one party. In addition there is the principles for establishing mutual understanding through lingual communication, mettāvacīkamma.

The Buddha described the duties between employers and worker as :

Employers should support their workers by: 1) assigning work that is suitable according to physical strength, gender, age, and ability; 2) giving a wage according to the work assigned and cost of living; 3) providing welfare, such as health care in time of illnesses; 4) sharing any extra benefits with them; 5) allowing days off for rest as appropriate.

Employees should respond to this support by: 1) starting work before their employer; 2) finishing work after their employer; 3) taking only what is given by the employer and being honest; 4) striving to improve their work; 5) spreading the virtues of their employers and businesses.

Buddhism does not prohibit seeking wealth or making profit, as shown in the Aṅguttara Nikāya, Tikanipāta (20/458), which refers to merchants and householders who obtain great amounts of wealth as "farsighted people who know how much they bought their merchandise for, how much they have invested, how much they will sell their merchandise for, how much profit they will make, and how much investment return they will have. They are clever in their trade."

The Buddha recommended avoiding certain types of goods, calling them micchāvaṇijjā: trades *that should be avoided by a Buddhist lay follower (upāsaka or upāsikā). There are five of* these:

1. satthavaṇijjā: trade in weapons of destruction such as spears, swords, guns, etc.;
2. sattavaṇijjā: trade in human beings;
3. maṃsavaṇijjā: trade in livestock and meat;
4. majjavaṇijjā: trade in intoxicants;
5. visavaṇijjā: trade in poisons

(BUSINESS AND BUDDHIST ETHICS Subhavadee Numkanisorn , The Chulalongkorn Journal of Buddhist Studies _Vol. 1 No. 1, 2002)

Business ethics in Jainism

Ahimsa means non-violence, something that is common in most faith traditions. for Jains, Ahimsa starts from the mind, and the nonviolence has to be lived in thought, word and deed. It also extends to all living beings, not just to human beings alone. Also, this has led to restrictions in the trades that Jains can pursue as they cannot partake in any business which involves animal products.

The principle of *Aparigraha* explains that possessiveness and materialism are the root causes of human bondage and prevent us from realising true spiritual freedom and liberation. In fact, greed is seen by Jains as a form of violence, as its nature is exploitative

Asteya & Satya encourages Jains to be truthful and honest in their actions, and not steal that, which belongs to others. Integrity and sincerity are very critical to their conduct and character. Often their business philosophy is win-win rather than win-lose

(JAIN BUSINESS ETHICS, Atul K. Shah Accountancy Business and the Public Interest, Vol. 6, No. 2, 2007 Atul K. Shah)

Business ethics in Zoroastrianism

The Zoroastrian perspective considers that a Good Mind invokes the managerial and individual principles of rightheousness, wisdom and serenity. The leader embarked on this approach realizes the Truth and drives the organization to a prosperous and succesful situation

(Abreu, J. L. y M. Badii Ethical leadership based on zoroastrian values Daena: International Journal of Good Conscience. 1(1) : 9a-20a. March 2006 – September 2006. ISSN 1870-557X.)

Ethical principles of Zoroastrian

- Good thoughts, good words, good deeds
- Truthfulness, honesty, justice, righteousness.
- Universal love
- Tolerance
- **Non-violence (Ahimsa)**. Respect for the environment and animals

(http://en.reingex.com/Zoroastrianism-Business.shtml)

Business ethics in Judaism

According to the Book of Leviticus (19:35-36): "You shall not falsify measures of length, weight, or capacity. You shall have an honest balance, an honest weight, an honest ephah, and an honest hin."

Leviticus 25:14 teaches: "When you sell anything to your neighbor or buy anything from your neighbor, you shall not deceive one another." The Talmud (Bava Metzia49b and 50b) and later codes (Rambam, Mekhira, Chapter 12) expand on this verse to create a series of specific laws prohibiting *ona'ah*, monetary deception. The prohibition is on the sale of an article at so much more, or to the purchase of an article at so much less, than its market value that fraud or the taking of an undue advantage is presumed.

When it comes to business ethics, Rabbi David Golinkin has pointed to the following examples of what this principle prohibits:

"A real estate agent should not dupe a young couple into buying a home with structural faults simply in order to make a fast buck. A stockbroker should not sell his client a bad investment just to collect the commission. A salesman should not convince his customer to buy an expensive item he really has no use for."[14]

Rabbi Jill Jacobs authored a responsum in 2008, approved by Conservative Judaism's Committee on Jewish Law and Standards, which argued that Jews are obligated to pay their workers on time, strive to pay their workers a living wage, and "to treat their workers with dignity and respect." The responsum prohibited "publicly yelling at, mocking, or otherwise embarrassing workers; forbidding employees from speaking their native languages at work; banning all bathroom breaks; changing work hours or adding shifts without advance notice; or making improper sexual comments or advances toward workers.

(http://en.wikipedia.org/wiki/Jewish_business_ethics#Ethical_perspective)

Business ethics in Christianity

1. The good of persons must be fulfilled by morally consistent means.
2. The right to hold property is accompanied by responsibilities in its use.
3. Profitability is important, but not sufficient to legitimate the institution.
4. The enterprise must align its economic activity with God's plan for dignity of man.

5. Business can show its love of the poor by fulfilling its mission well.
6. Business must provide quality products and services that meet authentic human needs.
7. Generating wealth provides prosperity to alleviate misery and enhance the culture.
8. Firms can engage in philanthropy to alleviate poverty, unnecessary human suffering.
9. Individuals and groups can use their talents to benefit others.
10. Earnings should be connected to real outcomes.

(©Legatus Tampa Bay - Christian Business Ethics www.legatustampabay.com)

There are twelve important principles derived from the Bible that can be used to establish the moral justification of a corporate code of ethics.

Principle 1: Caring for the Stranger

The principle of not maltreating, taunting, or oppressing the stranger is mentioned 36 different times in the Pentateuch (Babylonian Talmud, Bava Metzia 59b) and many times in the Prophets and Writings. There is a natural tendency for individuals to taunt those that are different Principle 2: Helping the Needy and the Powerless

The Bible has numerous laws describing what farmers must do to help the poor. For instance, the corners of the field were not harvested by the owner but were left for the poor. Individual stalks that fell from the sickle during the harvest had to be left for the poor.

Principle 3: Fair Treatment of One's Employees

Principle 4: Concern for Animal Rights

The Bible requires the humane treatment of animals and contains several laws dealing with the minimization or avoidance of animal suffering.

Principle 5: Caring for the Environment in Biblical times, pollution may not have been as serious a problem as today, but the Bible does contain laws that exhibit a great deal of concern for the land.
Principle 6: Not Engaging in Dishonest and Immoral Business Practices
Principle 7: Keeping Market Prices Stable
Principle 8: Not Giving Bad Advice to the Unwary or Placing Temptation Before the Morally Weak
Principle 9: Behaving in an Aboveboard Manner
Principle 10: Helping One's Enemies/Competition
Principle 11: Being Scrupulous About Not Causing Harm to Others
Principle 12: Going Beyond the Requirements of the Law
(Ref Creating a Company Code of Ethics: Using the Bible as Guide, Hershey H. Friedman, Electronic Journal of Business Ethics and Organization Studies, Vol. 8 (1), April 2003. **)**

Business Ethics in islam

The Prophet (SAW) always emphasized on fair dealings in business with the customers. He said: "God shows mercy to a person who is kindly when he sells, when he buys and when he makes a claim"

Prophet says:

"The Truthful and honest merchant is associated with the prophets, the upright and martyrs"

Allah says in Quran:

"Those who spend their wealth in charity in the night and in the day secretly and openly. They have their reward with their Lord.' On them shall be no fear, nor shall they grieve"

Allah permits trade and forbids interest. Allah declares in Quran Trade is 'Halal' and interest is 'Haram'. Islam gives special importance and stress on lawful and unlawful codes of business affairs. Many Quranic verses strictly prohibits Haram and do not think suitable to take of property wrongfully and dishonestly.

Allah says:

"And eat up not one another's properly unjustly (in any illegal way e.g. Stealing, robbing, deceiving etc, nor give bribery to the rulers (judges before presenting your cases) that you may knowingly eat up a part of the property of others sinfully''[13]

In these verses of Holy Quran Allah not only emphasis and shows the legitimate and illegitimate dealings but also emphasis not to keep any kind of doubt in trade

(Business Ethics in Islam Ishtiaq Ahmad Gondal **Al-Adwa**34:25)

Here are only a few major principles of fair business dealings according to Islam.
1. No fraud or deceit, the Prophet (pbuh) is reported to have said, " When a sale is held, say, "There's no cheating" (Al-Bukhari).
2. Sellers must avoid making too many oaths when selling merchandise. The Prophet (pbuh) is reported to have said, "Be careful of excessive oaths in a sale. Though it finds markets, it reduces abundance" (Muslim).
3. Mutual consent is necessary. The Prophet (pbuh) is reported to have said, "The sale is complete when the two parties involved depart with mutual consent" (Al-Bukhari).
4. Be strict in regard to weights and measures. The Prophet (pbuh) is reported to have said, "When people cheat in weight and measures, their provision is cut off from them" (Al-Muwatta). He told the owners of measures and weights, "You have been entrusted with affairs over which some nations before you were destroyed" (Al-Tirmidhi).

5. The Prophet forbade monopolies. "Whoever monopolizes is a sinner" (Abu Dawud).
6. Free enterprise, the price of the commodities should not be fixed unless there is a situation of crisis or extreme necessity.
7. Hoarding merchandise in order to increase the prices is forbidden.
8. Transaction of haram items, such as intoxicants, are forbidden.

The Prophet's general advice to all people was, "What is lawful is clear and what is unlawful is clear, but between them are certain doubtful things which many people do not recognize. He who guards against the doubtful things keep his religion and his honour blameless, but he who falls into doubtful things falls into what is unlawful, just as a shepherd who pastures his flocks round a sanctuary will soon pasture them in it. Every king has a sanctuary, and God's sanctuary is the things he had declared unlawful" (Al-Bukhari). (Dr. Muzammil Siddiqi
http://www.irfi.org/articles/articles_1101_1150/business_ethics_in_islam.htm)

Islam requires every individual to work and to produce. distribution into an integrated society, Islam makes the following points:
God owns wealth, power and natural resources.

The individual or the institution is appointed by God as a trustee and custodian to manage them.
Every being, human or not, has a minimum requirement to be able to live in dignity.

This should be provided by the government to anyone who cannot meet his or her own needs.
Islam respects private property and the right of ownership is protected.

The system is paid back and balanced out through the act of Zakah (Alms giving as an essential part of the system and faith).

If this source is not enough, the Islamic government would apply a temporary tax on the rich and affluent to balance the budget as a religious duty (Fard Kefaya).

Zakah is spent by the Islamic Government and distributed to the poor, the needy, the traveller (wayfarer), administrators and to help the oppressed indebtors to pay off their debts.

Islam preaches moderation and a balanced pattern of consumption.

Islam is a way of life.

Over-consumption is condemned as the work of satan.

Spending in the wrong way (bribery, illegal profits and/or reckless spending) and extravagant over-consumption of lawful matter are not allowed.

Everyone is trained to plan for the future and to be careful.

Maximize profits and services in a legal way to realize freedom and independence of the individual and the society using interdependence and interaction with other nations, communities and businesses.

Islam promotes free markets and free international trade as the natural mechanism of getting people to know each other in order to promote peace and prosperity through communications, trading and mutual benefits.

Develop new and improved ways and means to improve the quality of life and preserve the individual's most valuable asset, which is time.

Time is life for a Muslim.

Protection of the environment is a sacred duty of the Muslim.

Focus on a long-term view of investing in the future without speculation, to provide long term job opportunities for generations to come.

Provide flexibility through strategic planning and training to prevent business cycles from negatively impacting the community,

Markets should be free and open to everyone provided that other laws of the system are not violated.

Information about products, goods and services should be made readily available, complete and known to all parties.

Indeed, information is considered a part of the contract.

Misrepresentations are punishable both in this life and in the hereafter.

Full disclosure is a must.

Monopoly and hoarding are strictly forbidden and prohibited.

Prices are set on the basis of supply/demand using the auction open market system.

Speculation in commodities is strictly forbidden.

Markets are designed to bring a buyer (end user) and a seller (producer) together to consummate a deal.

No speculation or interference with market forces of supply and demand is a manager is looked upon as a custodian on God's trust given to him/her to manage. He/she, on the other hand is considered a shepherd of his/her employees.

He/she provides guidance, vision and care for his/her subordinates to maximize their output, and keep the values of the religion and system intact.

In fact prayers are part of the system, with the manager leading the prayer or at least pro-actively participating in it.

A manager is chosen with strict qualifications;

Excellence in professionalism and knowledge

Performance and trust over time and piety

Good interpersonal relations as guided by the ultimate example of Prophet Mohammed (S) and all other prophets of God.

Money is not looked at as a commodity that commands a price, that is called interest as in the RIBA system.

Money does not reproduce and give birth to money.

Production and trading produce economic activity.

Money is a means of transacting business and is used to measure the efficiency of doing business through the use of "rate of return on investment.".

Monetary policy is based on actual achievement of economic growth and productivity not on perceived future rates of growth, since the future is only known to God.

Banks are required to operate on a 100% reserve basis; i.e. on an all cash transaction basis.
If money is entrusted with a bank then it is a trust and should be returned intact as is.

It also cannot be disposed of in the form of a facility to others without the consent of the owner.
A service fee can be charged, however.

Investment banks provide the role of bringing the owner of capital together with the owner of an idea or expertise to invest together and realize long term economic growth.

The investment bankers' role is education, evaluation, promotion and follow-up for the benefit of long term growth not for a commission.

The purpose is to realize the Islamic goal of making capital circulate within the community and to prevent the freezing of assets and capital.

Islam prohibits trading paper instruments, speculation and manipulation.
The objective is long term investing.

Finally, there is one underlying holistic concept of producing income: "Halal" which means lawful and "Haram" which means unlawful.

Individuals who eat from "Haram" unlawful sources of income are believed to be as if eating the hell fire in his/her body in this life and more in the hereafter.

(**LARIBA Book: By Dr. Yahia Abdul Rahman, http://www.lariba.com.eg/book/chapter2.htm)**

Business ethics in Sikhism

The Sikh religion strongly believes that the universe is real but not eternal; everything that is visible has a lifespan. Additionally, Sikh philosophy believes that everything operates in the universe under principles set by God.5 The human mind has the potential to understand the principles set by God. The most basic and simplest principle is "As you sow so shall you reap.

Sikh philosophy does not believe that the *Maya* or acquisition of property or wealth is evil, but the mental attachment to material wealth or *maya* is to be avoided.13 In the Sikh religion a very unique definition of *maya* has been given – it is simply any thing that makes the mind forget God, due to attachment and duality.14 The Sikh Gurus themselves led a householder's life, and that at certain times was very royal.

A Sikh is also encouraged to be rational and take all decisions only after intellectually analyzing the situation.

In Sikh religion, democratic institutions and tradition are encouraged to provide equal rights to all individuals and participation in decision making. A Sikh is expected to lead by example, to practice before preaching or expecting others to follow.

Sikh philosophy encourages investment, especially capital. Accumulation of wealth and idle savings beyond what is adequate to meet immediate or planned consumption, is discouraged. Further, it encourages employment generation and self-employment, irrespective of trade or industry

The Sikh Gurus encouraged proper accounting standards to be maintained. Anecdotally, during the time of the Guru's, the budget was made annually. The Sikhs would be advised in advance of the needs of the community and accordingly asked to make the contributions in kind or in cash.

The concept of sharing is not only restricted to fellow humans, but also has to be extended to animals and plants in the immediate surroundings.

Of the three main pillars of Sikh religion which are meditation, honest earning and sharing with others, two are directly related to ethics in business while the third influences the thinking of the worker leading to cultivation of virtues.

(Charan Singh WORKING PAPER NO: 439 IIM Banglore Ethics and Business: Evidence from Sikh Religion)

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Aesopica – Zoomimg in for stories and analogies and management strategy

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ABSTRACT :-

"….like those who dine well of the plainest dishes ,he made use of humble incidents to greater truths and after serving up a story he adds to it an advice to do a thing or not to do a thing"
-Philostratus ,Life of Apollonius Tyana book V:14

Aesopica is a collection of fables credited to Aesop a short teller believed to be lived in ancient Greece divers origins of the stories have been associated with Aesopian names and they have been descended from various resources. They continue to be reinterpreted in different verbal as well as artistic mediums. Aesop fables have an Indian connect which id represented by the Buddhist Jataka Tales and the Hindu Panchatantras. Aesop is read by all of us a number of times and quoted in our daily lives, but they also contain various management lessons if read from a different point of view.

Management studies/colleges focus on producing top grade mangers who have knowledge, ethics , cultural values along with adaptations to change management .Most of the students are raw and lack experience .They also lack the background of management studies as they come from a heterogeneous crowd .In such cases they often struggle to relate and grasp the management concepts and symbiotically associate them with their real life situational experiences. The author advocates that the Aesopica i.e the Aesop fables provides straightforward and very simple food for the minds of this future generation. These fables can be useful to the teachers "training tools and stratergies" for teaching the management concepts like stress management ,change management , risk management ,leadership ,training & development , quality management etc to name a few . the paper focuses on management essentials which are embedded in these age old fables . They could be used as analogies for workshops and training programs for the management in the modern era. The paper also contains descriptions and their relevance for better grasp of the knowledge and its assimilation with the modern life synergy.

The author concludes that the classical fables may be applied to the management field and its implications for the classroom usage.

"…. Its apt to delight a child ……..… yet afford useful reflection to a grown up man . "
- William Coxton

Keywords :- Fables , Change management, Performance management, Risk management

Intro :-

Animals' behavior can so often mirror that of humans. Our realization that we could use these behaviors for management stories was serendipitous.

The original Aesop's fables were a collection of stories attributed to the Greek slave Aesop who lived around 600BC. Most of the characters are animals that talk and act like human beings and illustrate the failings and virtues of human nature in a simple, often humorous way. Perhaps the best known of Aesop's fables is 'The tortoise and the hare'.

'The tortoise and hare' has been interpreted and reinterpreted in many different ways needless to say it has many lessons from many perspectives .

Another very famous book based on management is ' **Frog Manager'.** In a nut shell the book provides with management mantras for the managers also adopted from the Aespoica .
Following could be the gist of the book 'Frog mangers'

In the short term

Use the 5WH technique (5'W' questions and one 'H' (how) question) when faced with a decision:

- What information do you need?
- Why do you need it?
- Where will you get it from?
- Who will get it?
- When do you need it?
- How will you get it?

In the longer term

Get into the habit of:

- Setting aside time to read, research and be aware of the latest developments in your field
- Allocating time to meet with others to learn what they are thinking and planning
- Considering what information you should share with others to foster a good information flow
- Consulting key stakeholders on any projects to ensure that their concerns and ideas are taken into account before any decisions are made.

Thought for the Frog Manager

Prevention rather n than cure Reduces the stress you need endure.

"Surround yourself with the best people you can find, delegate authority, and don't interfere as long as the policy ,you've decided upon is being carried out." ...Ronald Reagan

Companies have risen and fallen because they have entrusted the wrong CEOs and successors with the management duties. Many great family businesses had been ruined at the hands of the children or grandchildren who took over the helm, based on who they were rather than what they could do. When businesses failed, CEOs rightfully took the brunt. The people responsible for delegating the management duties should not be spared either.

A proper delegation should be viewed as a sharing of responsibility, and not a passing of the baton. When a leader assigns tasks to the other team members, it remains his responsibility to monitor and ensure that the members complete the assigned tasks. Along the way, when the members face difficulties and hurdles, the leader should step in to assist and advise. Of course, for any delegation to be effective, the leader must empower the members and confer on them a certain amount of authority and resources necessary for the tasks at hand. What we are saying is that the leader cannot assign all his functions, powers and authority, and still expect to be called a leader. He would be a consultant and not the person-in-charge.

A skillful delegation should therefore lead to a happy solution for everyone. The CEO has time to look at the overall direction of growth, strategic plans and policies of the company, while retaining the top spot and top salary. The deputy CEOs and departmental chiefs have the necessary powers and authority to run the show, and make decisions within their portfolio. The middle managers, supervisors and heads take charge of the day- to-day operational activities, and are empowered to make decisions within their scope of work.

Since delegating work plays such an important role for successful CEOs, why are most of them not doing it, or not doing enough? Why do we see CEOs attending to routine low-level tasks and even chairing meetings on totally operational matters? There are various reasons why we - CEOs, leaders and managers – avoid delegating our tasks and responsibility. Here are some reasons and the ways to get around them:-

1. Do not trust employees with the responsibility.
2. Only we know best.
3. Work faster on our own.
4. We lose our control.
5. We lose our authority.

6. We lose credit and recognition.
7. Employees are not committed.
8. We cannot keep track of developments.

Performance Management in connection with Aseop fables

There is no indefinite job security. Market conditions fluctuate so fast that workers would rather play it safe by working into the good books of the employer. What better way to do that than to be the first person to step into the office and the last to leave. What started out as pure work enthusiasts end up being workaholics. Workaholics' lives center around work and nothing else. Workaholism was a topic we used to joke about, but as people became more conscious of leading balanced lifestyles, it had changed it status to a medical problem and was labeled Work Addiction. Work addicts are in a different class. Many do not work for the monetary rewards, promotion or recognition; they work because they just cannot stop working. Bosses naturally love to employ these people since their engines can run even without fuel. The problem is that their engines don't last. Like a machine, they lose touch with the social aspects of life and have little regard for friends and family. They 'burn-out' at an early age, and are often ill and depressed. How do we tell that a person is addicted to work? What can we do to help them lead a balanced life?

The Man, the Horse, the Ox, and the Dog

One winter's day, during a severe storm, a Horse, an Ox, and a Dog came and begged for shelter in the house of a Man. He readily admitted them, and, as they were cold and wet, he lit a fire for their comfort, and he put oats before the Horse, and hay before the Ox, while he fed the Dog with the remains of his own dinner.

When the storm abated, and they were about to depart, they determined to show their gratitude in the following way. They divided the life of Man among them, and each endowed one part of it with the qualities which were peculiarly his own.The Horse took youth, and hence young men are impetuous, headstrong, and obstinate in maintaining his own opinion. The Ox took middle age, and accordingly man in his middle age is fond of work, devoted to labor, and resolute to amass wealth and to husband his resources. The Dog took old age, which is the reason why old men are so often peevish and ill tempered, and, like dogs, attached chiefly to those who look to their comfort, while they are disposed to snap at those who are unfamiliar or distasteful to them.

Moral:
Man's life is predestined.
Man by nature loves to work.

The social problems arising out of this compulsive behavior are plenty. We mentioned health as a major consequence. Workaholics have a tendency to neglect their health. They delay seeking medical treatment for their sickness and prefer to spend their day working in office than recuperating at home. Sometimes, it may be delayed so much that the sickness becomes incurable. Common ailments are blood pressure and heart problems, caused mainly by the work pressure they put onto their shoulders. Besides physical condition, the emotional aspects of a workaholic have to be considered. The moment he hits home, he would be too tired to give any attention to his family members and loved ones. He may be listening to his children, but his mind is somewhere else, probably thinking of the uncompleted assignments and projects. With little emotional bonding within the family unit, it is a matter of time that he splits ways and the spouse files for divorce. There are telling signs of work addiction. Look around your office or place of work and if you spot someone with several of these symptoms, they are either already workaholics or have the potential to be:-

- Works extraordinarily long hours.
- Always in a hurry.
- A perfectionist.
- Does not like to delegate work.

- Likes to stay in control.
- Emails you in the middle of the night.
- Wants everything done urgently and quickly.
- Impatient and has a low tolerance for mistakes.
- Always talking about work matters.
- Does not socialize unless forced to.
- Routine is home – office – home and nowhere else.
- Possibly temperamental and hostile.
- Takes little care of personal health and hygiene.
- Goes to work when on medical leave.
- Does not take vacation leave.

Within this broad generalization, there are also those who choose to overwork themselves. We shall deal first with the true blue workaholics i.e., those who take their work seriously and cannot kick the habit of working. Such people have to progressively understand that work is never-ending. Rather than undertake the work alone, they should learn to delegate and farm out the work. Bosses often pile work on workaholics because they can produce results. A person has but two hands and there is a limit as to how much work he can handle. It is therefore useful to learn how to say "No" and to reject work. If attention is spread too thin among all the assignments, quality is adversely affected and it would not benefit the company. Devote more time to relationships. Be convinced that success in life is incomplete if it is only a success at work but a failure at home.
The second group of workers intentionally put themselves in that position of a workaholic for various reasons:-

1. The pretender:_He works hard only when his bosses are looking. He had his dinner, shower, booze and returned to office at 8pm. He then worked till midnight and returned home after that. His boss would leave the office at about 11pm, and was always pleased to see this manager at his desk even at that late hour.
2. The opportunist:-There is a rosy opportunity, a managerial position that is recently vacant and up for grabs. This person has been eyeing it for a long time and decides to become a work addict overnight to prove to the management that he has the cut for the job. He makes a lot of 'noise' while at work just so that people know that he is working hard.
3. The insecure:-At the other end of the spectrum, instead of a possible promotion, this person senses a threat to his position. He may get fired because he handled something badly or there is a new employee who is better qualified. The feeling of insecurity motivates this person to work.
4. The procrastinator:-He sits on files, drags his feet. Close to the deadline, he suddenly wakes up to the reality that his career is on the line if he does not complete the assignment. During this last stretch of the race, and so close to the deadline, he has no alternative but to work doubly hard.
5. The escapist:-Family unhappiness causes him to stay out of the home. With nowhere else to go, he stays in office for as long as he can and dives into work to keep his mind away from his marital problems.

Curing the habit for these lot of people will depend on the reason for them wanting to work long hours. A good boss should encourage his employees to have a balanced life. The best way to do that is to be the exemplary figure. If bosses leave the office right after office hours, openly talk about their golf and other social hobbies, and party away on weekends, the workers are likely to follow suit.

What Do Aesop's Fables and Risk Management Frameworks Have in Common?

Aesop's Fables is a collection of tales by the Greek storyteller Aesop. We don't know the true intent of Aesop's stories since they were translated in early 1900s England by the Reverend George Fyler Townsend and Sara Cone Bryant. We do know that each of the modern day translators intended the fables to be stories for young children to teach them about life lessons.

The stories are simple to understand and use human and animal characters to describe how to make the right decision when faced with situations of uncertainty and complex ethical dilemmas. Most adults have heard of "The Boy who Cried Wolf" and "The Ant and the Grasshopper," which teach lessons of telling the truth and the merits of thrift and hard work.

Aesop's Fables describe a simplified world where the protagonist learns his or her lessons the hard way. We can all enjoy these lessons and feel satisfied that we have been responsible parents by reading them to our children! However, as our children grow older, life gets in the way and these lessons fall by the wayside. More importantly, we learn that decision making is more complex than the stories in Aesop's Fables. While they may serve as a good guide, fables are not useful in dealing with the fast pace and increasing complexity of today's real world. This may be one of the reasons these fables are increasingly lost to history's dustbin.

Unfortunately, many GRC and risk professionals unknowingly use risk frameworks as Aesop's Fables. We believe that if we simply tell our employees stories about the hard lessons learned by the unwitting protagonists in the story, they will learn what not to do. No one lives their lives by children's fables and it is equally unlikely that business leaders will manage their organizations by the fables embedded in a risk management framework. Yet this is what we expect to happen!

Isn't it time that we look beyond the simplicity of fables and lessons learned to advance the practice of risk management? The best analogy is with 17th century medicine. The best doctors who practiced in the 16th and 17th centuries did not know what happened inside the human body. Most of the remedies were based on observation, theory and – worst of all – whether the patient died under their care. It wasn't until one doctor dared to think differently and look outside of medicine to learn how to diagnose problems *inside* the human body.

In the 17th century, wine makers would routinely thump their barrels of wine to determine whether it was full or evaporation had occurred as the wine aged. An enterprising doctor decided to see if he could diagnose congestive heart failure during which the lungs filled with fluid. By rolling up sheets of paper and thumping on the chest of patients this doctor learned to dismiss conventional wisdom and treat his patients using analytical thinking about the risks to his patients' lives. Advances in medicine evolved slowly as physicians learned to look beyond the myths of the day about human illness and to develop better diagnostic tools for managing risks.

Shouldn't risk managers think more like scientists or physicians? The answer is a resounding YES! Risks, like human illness, can lie just beneath the surface. The presentation of a symptom of a persistent problem may require a variety of tests to confirm an accurate diagnosis. Medical diagnosis uses a variety of approaches through a process of elimination to determine possible causes of medical risks. Risk probabilities are assigned to the accuracy of the causes and there is an understanding of residual risks assumed by the patient in proceeding with a prescribed course of action. These risks are acknowledged with the understanding of the limits of a successful outcome.If we cannot guarantee risks in life and death decisions, why do we expect to do so in business? Risk management, like Aesop's Fables and early medicine, has been around for centuries.

Unfortunately, the diagnostic tools to manage risks are still in the early stages of sophistication. Many risk professionals still diagnose their corporate patients based on a set of symptoms, without understanding the root causes underlying the illness.

Will we continue to believe in fables or will we begin to think like modern day diagnosticians and attempt to understand what is needed to look beneath the surface.

The Quality management system (QMS) link with Aespoica

A **quality management system** (**QMS**) is a collection of business processes focused on achieving quality policy and quality objectives to meet customerrequirements.It is expressed as the organizational structure, policies, procedures, processes and resources needed to implement quality management. Early systems emphasized predictable outcomes of an industrial product production line, using simple statistics and random sampling. By the 20th century, labour inputs were typically the most costly inputs in most industrialized societies, so focus shifted to team cooperation and dynamics, especially the early signalling of problems via a continuous improvement cycle. In the 21st

century, QMS has tended to converge with sustainability and transparency initiatives, as both investor and customer satisfaction and perceived quality is increasingly tied to these factors. Other QMS, e.g. Natural Step, focus on sustainability issues and assume that other quality problems will be reduced as result of the systematic thinking, transparency, documentation and diagnostic discipline.

ELEMENTS OD QMS :-

1. Quality policy
2. Quality objectives
3. Quality manual
4. Organizational structure and responsibilities
5. Data Management
6. Processes - including purchasing
7. Product quality leading to Customer satisfaction
8. Continuous improvement including corrective and preventive action

Method

For the most part, these methods consist of the following elements, performed, more or less, in the following order.

1. identify, characterize threats
2. assess the vulnerability of critical assets to specific threats
3. determine the risk (i.e. the expected likelihood and consequences of specific types of attacks on specific assets)
4. identify ways to reduce those risks
5. prioritize risk reduction measures based on a strategy

All these prinicipals and concepts can be introduced and explained with the help of a small story or an analogy for instance

The lioness and the vixen (quality not quantity)

A lioness and a vixen were comparing their young. The vixen said how beautiful her litter of cubs were, and remarked sneeringly that the lioness only ever had one cub. "Ah yes," said the lioness, "but that one is a lion..."

Change Management should change the methodology of teaching

Change management is an approach to transitioning individuals, teams, and organizations to a desired future state.[1] In a project management context, change management may refer to a project management process where in changes to the scope of a project are formally introduced and approved.

Managing the change process

Regardless of the many types of organizational change, the critical aspect is a company's ability to win the buy-in of their organization's employees on the change. Effectively managing organizational change is a four-step process:

1. Recognizing the changes in the broader business environment
2. Developing the necessary adjustments for their company's needs
3. Training their employees on the appropriate changes
4. Winning the support of the employees with the persuasiveness of the appropriate adjustments

The oak and the reeds (go with the flow)

A mighty oak tree was uprooted by a gale and fell across a stream into some reeds. "How have you reeds, so frail, survived, when I, so strong, have been felled?" asked the oak tree. "You were stubborn and wouldn't bend," replied the reeds, "whereas we yield and allow the gale to pass harmlessly by.

This could be an apt introduction to introduce the topics in change management and only this but many such short stories can be of aid in explaining and linking the difficult concpets to an easy understanding level .

Conclusion:-

The fables are not simplistic children's stories, but highly intellectual exercises which take abstract ideas and translate them into formalized dramatic encounters." However, most scholars have acknowledged that the simplistic imagery, concise storytelling, and potential value for moral and logical instruction within Aesopic fables is particularly well suited to the needs of the children's literature genre. Joanne Lynn has stated that, "Aesop's fables remain viable as children's literature not solely because of their longevity in the culture, or because of their 'morals,' not even as some have claimed, because they are 'about animals.' Aesop's fables belong to children because the concerns of Aesop's fables make common cause with the condition of childhood. Aesop speaks for the underdog, the common man, the politically and socially disenfranchised."

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Transformational Leadership – A Study of Select Business Leaders in Indian Pharmaceutical Industry

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ABSTRACT

Global business consists of transactions that are devised and carried out across national borders to satisfy the objectives of individuals, companies, and organizations. These transactions take on various forms, which are often interrelated. Primary types of international business are import export trade and foreign direct investment (FDI). For doing global business we need transformational leadership, transformational leadership became popular with the research of James Burns (1978). Burns (1978) linked the power a position with the response to the need of the followers. In this style, the vision of the leader must be conveyed to the followers. This vision sometimes requires change in the organization. This styles is becoming more important because of the demands of organizations to change in today's world of globalization. In this paper an attempt is made to study Global Business and Transformational Leadership – with reference to Select Business Leaders in Indian Pharmaceutical Industry. This paper will try to understand the nature and characteristics of transformation leadership in pharmaceutical industry making an organization effective.

I. Introduction :

Global business consists of transactions that are devised and carried out across national borders to satisfy the objectives of individuals, companies, and organizations. These transactions take on various forms, which are often interrelated. Primary types of international business are import export trade and foreign direct investment[1] (FDI).

The basic principles of business still apply, but their application, complexity, and intensity vary substantially. To operate outside national borders, firms must be ready to incorporate international considerations into their thinking and planning, making decisions related to questions such as these:

- How will our idea, good, or service fit into the international market?
- Should we enter the market through trade or through investment?
- Should I obtain my supplies domestically or from abroad?
- What product adjustments are necessary to be responsive to local conditions?
- What threats from global competition should be expected and how can these threats be counteracted?

For doing global business we need transformational leadership, transformational leadership became popular with the research of James Burns (1978). Burns (1978) linked the power a position with the response to the need of the followers. In this style, the vision of the leader must be conveyed to the followers. This vision sometimes requires change in the organization. This styles is becoming more important because of the demands of organizations to change in today's world of globalization.

It is important that the transformational leader motivate the followers in their vision. According to Burns (1978) Transformational leader motivate the followers to be better in three ways. They raise the consciousness about the importance of certain outcomes such as high productivity or efficiency. The leader shows the value of workers concentrating on what benefits their work team can achieve rather than the individual interests. Furthermore, the leader increases the needs of the workers so that they value challenges, responsibility, and growth. B.M. Bass linked transactional and transformational

leadership as a continual process. Transformational leadership is developed form transformational leadership. To this end, the full range of leadership model was developed (Bass1985)

Transformational leaders give individual consideration along with intellectual stimulation. The transformational factors involve the following: Charisma or being able to influence by one's personality. For this to occur the leader must be respected and be able to articulate the vision. Inspirational motivation; the followers must be inspired by the vision and expectations must be high. Intellectual stimulation; creativity must be encouraged in followers. These leaders wants the followers to challenge the beliefs that they have as well as those of the leader and the organization. Individualized consideration; a supportive atmosphere is created by the leader. The leader acts more like a coach and advisor to the group so that expectations can be maximized. but, all above mentioned things can happen only when there is need. Likewise similar for other aspects.

However, transformational leaders view themselves as change agents who have a vision for the organization, in order to effect change; they do take risks but are not reckless. Many researchers believe that the transformational style of leadership is superior to the transactional style. Studies have found that transformational leaders are higher performers and are more likely to have impact than a transformational leader. Furthermore, some studies have found that there is a correlation between transformational leadership and low turnover rates, higher productivity an higher employee satisfaction[2].

Transformational leadership clearly defines the role of the leader and followers but also includes the followers in the leadership process. This style also acknowledges that leader's provide the primary means for change in an organization. Rewards and punishments may be used by the transformational leader as the transactional leader does but it goes further in that the growth and needs of the followers are acknowledged by the leader. In today's global economy, many companies look for transformational leaders in order to change an organization and to affect a new vision for the company.

In this paper an attempt is made to study Global Business and Transformational Leadership – with reference to Select Business Leaders in Indian Pharmaceutical Industry. This paper will try to understand the nature and characteristics of transformation leadership in pharmaceutical industry making an organization effective.

Transformational Leadership abilities of any leaders are contingent upon several intrinsic and extrinsic factors, which further classified in to macro, micro and circumstantial factors. These factors will have impact on short and long-term goals of the organization. General purpose of this study is to find the determinants of transformational leadership abilities of a leader in dynamic Indian pharmaceutical industry. For the purpose of this study, data was collected from twenty-five select pharmaceutical companies in India.

II. Historical Beginnings of Transformational Leadership Theory:

Downtown introduces transformational leadership in 1973 differentiating revolutionary leaders from ordinary leaders. Burns and Zalenzik were two preliminary developers of transformational leadership in 1977 where they determined that managers considered their associates' needs and set goals accordingly. Bass developed this theory further. To Bass, transformational leaders developed subordinates' needs from lower to higher levels of maturity, achievement, autonomy, affiliation and engaged subordinates improved their organization on their own, intrinsically, or if their supervisors directed them, extrinsically. When subordinates had a strong intrinsic desire to change their organization, them true transformation occurred. Consequently, transformational leaders built trust, respect, vision and empowerment.

Current studies have shown transformational leadership as an effective leadership model, partly due to leaders' consideration of others and motivational characteristics.

United States Army doctrine included transformational leadership in its training manuals because of the its usefulness where followers trust, admire and respect leaders and exceed expectations of their leaders. Additionally, leaders transformed and motivated followers in task accomplishment, followers disregarded personal interest for organizational or team success, and self-actualization. However,

there is limited literature on this model within the Army. Consequently, a critical need existed to investigate transformational leadership in relationship to organizational climate and leadership constructs.

III. Transformational Leadership in the context of Change:

Ford and Ford (1994) held that leaders create change by providing a vision that is attractive to followers. Transformational leaders create followers by framing a vision for the future that appears to be reachable, attractive and engaging. A transformational leader would be successful in getting a change plan implemented by intellectually stimulating the followers, motivating them to rethink old ways of doing business. This idea- that the transformational leader creates a culture that embraces change is consistent with the extant change literature.

According to John Kotter,(1995) Literature on both change and transformational leadership suggest that it is critical that the leader should be a change champion who can assemble and motivate a group with enough power to lead the change effort.

According to Brown & Eisenhardt,1997 that leaders effective use of inducements and interventions that get people to change, works only if this change takes into consideration the underlying needs and values of followers. These underlying needs and values can be addressed by understanding the followers cultural background.

IV. Organizational Effectiveness:

All the organizations try to achieve survival and growth. Organizational effectiveness is a comprehensive measure of success of any organization. Furthermore, effective leadership has a positive impact on behavior with organizations, according several researchers, transformational leadership's role in improving many factors of organizations is especially pronounced[3]. The effectiveness of behavior within organizations the effectiveness of their performance is known as organizational behavior.

The concept of effectiveness is of great importance to an understanding of organizational behavior [4]. However, organizational effectiveness is term that is complicated, controversial and difficult to conceptualize[5]. Organizational effectiveness has been defined in multiple ways.

a. Organizational effectiveness is "the ability of an organization to achieve its goals"[6].
b. Organizational effectiveness is "The Maximization of return to organization by economic and technical means (efficiency) and by political means[7].
c. Organizational effectiveness is "An organization's ability to acquire scarce and valued resources". [8]
d. Organizational effectiveness is "A combination of several measures". [9]

These definitions indicate that organizational effectiveness has multiple meanings. Its meaning depends upon perspective or researchers also. Organizations have multiple stakeholders like employees, owners, government, customers. Therefore, there may be conflict in criteria of effectiveness some times. Organizational theorists differ regarding the meaning and criteria for effectiveness. This indicates that effectiveness has no universally accepted criteria.

V. Global Scenario of the Pharmaceutical Industry :

The global Pharmaceutical industry is changing rapidly. With downward pricing pressures in established markets on the one hand, and increasing costs due to regulations, competition and innovation on the other, the industry is being forced to look for new models of efficiency and impact. This coupled with a weak pipeline of new molecules capable of showing major improvements in therapy, is bringing the "blockbuster model" of the pharmaceutical industry into question. There are new risks, which exist in not only the development and market approval of drugs but can be found in its entire lifecycle. Further, there is an increase in consumer activism, which is requiring an investment in tighter operating procedures, transparency and the maintenance of public trust.

Global pharmaceutical Industry has grown by leaps and bounds since, First World War. Whereas the Indian pharmaceutical industry has grown by leaps and bounds since independence. World Trade organization brought greater opportunity to grow in the form of protection of intellectual property rights associated with formulations.

Sweeping changes, which are taking place in world pharmaceutical market, has resulted into some of the following trends:

1. Downward pricing pressure in regulated and established markets
2. Increased cost due to regulations
3. Global competition for innovation and sustainability
4. De-petenting of black buster drugs
5. Dynamic changes Morbidity and mortality rates.
6. Change in value chain proposition in global pharmaceutical marketing
7. Dynamic changes in demographical profile of developed and developing market
8. Increased consumer awareness.

VI. Survey Results :

This study has been conducted to find out the relevance of transformation leaders as a guiding force for organizational effectiveness. With this purpose data was collected from various sources. Required primary data was collected from employees from various select pharmaceutical industry through questionnaire. This paper examine qualities that employees look for in their leaders and study how the persecutions of such qualities influence employees commitment towards organization.

1. Respondents were picked up randomly, due care was taken that they represent the required criteria. Out of the 280 total respondents 190 are male and remaining 90 are female.
2. According age wise distribution maximum respondents are in the age group of 41-45. But from perception point of view persons in the age group of 46-50 is the group having the best positive opinion on their bass.
3. Among married and un-married and single respondents of 215 are married, unmarried are 45. And whereas single are only 20 and it constitute the group with highest satisfaction levels.
4. It was also studies that whether there is any relationship between educational qualities and employee perception on leadership. It was found that there is no relation between style of a leader and the department where they work.
5. Among the total respondent people in sales and marketing side are highly positive above their boss that any one.
6. Outcomes of the research it is found that across the section of the organization irrespective of the age, gender, experience, qualification, and department. Everyone was happy with their boss they ranked them excellent with best scoring.
7. During study it was also found that whether a company listed or not, it has no impact on the organizational effectiveness.
8. Employees also expressed that organization effectiveness behavior is excellent. However, it is independent of their leader (boos) style.

VI. Suggestions :

All the respondents have expressed positive opinion about their leader. However, there several other factors on which leaders can score on from their subordinates perspective. Following are some of the suggestions.

1. **A leader should be good Boundary Manager:** As per respondent's responses opinion, they want their boss to be good boundary manager. It sound logical, because pharma industry is highly regulated and fragmented market failing to meet the external challenges will results into organizations poor performance.
2. **A Leader must be risk taker:** Leaders should be able to take risk in terms of investing on Research and Development (R&D), entering into new therapeutic categories and markets segments in domestic and foreign markets.

3. **Open for new ideas:** Leaders should be open for suggestions and ideas, because every New Drug or chemical entity and its formulation is stemmed from one individual's idea. For that, the leaders should be accessible to their followers who are approaching with ideas. Not only approachable but leaders should be able to invest on the idea of the employee.
4. **Empowerment of subordinate:** Though many believe that their leaders confer autonomy and authority, paradoxically respondents also believe that their leaders, as a boss, are interested in telling what to do and how to do. But seldom have they given freedom to people to decide what to do and how to do, although respondents expressed opinion they are contacted and consulted for on several issues relating to concerned subject.
5. **Gut feeling:** At times leaders takes decisions based on gut feeling and intuitions or impulse, which is may be a good quality or not but most of the respondents are not sure of that issue.
6. **Leader should be tolerant towards the genuine mistakes but be careful towards repeated behavior:** Respondent also believes that their leaders will tolerate mistake as a genuine mistake and it happens during work process. However, if the mistake is deliberate or ignorance and it is repeatedly committed, then leaders should take immediate actions.
7. **Open door policy:** Forging hierarchical positions is the order of the day, if leader want his/her subordinate to be expressive and contribute for organizational growth, congenial atmosphere has to be created for that purpose.
8. **Believe in and practice in risk taken ability:** However, Pharma industry is capital intensive in case of Research and development. It is very difficult for Indian Pharma companies to spend time and effort on discovery of novel drug and new chemical entity. Hence, they can wait till the lifesaving drugs go off patent. Then they can go for production of generic version of innovative drug.

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Lean Implementation by Executing Self Running Loop in MFN-1 Shop Floor at Bosch Ltd. Nashik

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ABSTRACT

This research paper is based on the research work carried out at MFN-1 (Manufacturing Nozzles) Shop Floor at Bosch Ltd. Nashik. It is found that the earlier push system of manufacturing process needed maximum manual intervention, machine hours and calls for some errors. This resulted in accumulation and piling up of inventory which affected timely delivery of material and degraded the overall productivity. Because of this problem the Throughput Time (TPT) for process was more. So, MFN-1 Shop Floor at Bosch Ltd. was lagging behind to fulfill daily customer demand.

This paper highlights the Lean Practices implemented for minimizing manu intervention, reducing Lead Time and also the OEE improvement. The research work dealt with concept of KANBAN and Pull System to standardize the process and optimize recourse utilization and material availability.

Using KANBAN method tagging of bins and FIFO racks containing raw material and semi finished. good was done which contains code number, part name, quality, supplier and customer. This method was used to control the production and material flow to support the pull system. Also the Supermarket concept is being implemented to store parts between supplying and consuming production steps which guaranteed delivery to the customer even if there are problems in production processes. The implementation of Lean processes at MFN-1 Shop Floor led to the clear path for material movement, quick Throughput Time, timely delivery of material.

1.0 Introduction

BOSCH Limited in India Nasik plant is specialized in manufacture of components of fuel injection equipment, especially Nozzles and Injectors for automobile industries, both in conventional (non-Euro) and Euro series applications. The product application is in automotive, stationary engines, marine and in locomotive segments for both inland & export markets.

Lean is defined as set of principles, not only the process that can be replied across environment.. Lean is strucured on some prime pillars such as Pull System,Continuous Flow, Cutomer value, Waste Elimination and Continuous Improvements. In the PUSH system the order is started in a superior planning level in direction of material flow and with finish date and order number. With the PULL system the order starts on customer demand contrary to the material flow and without finish date and order number.

2.0 Literature Review

(Stock & Lambert ,2001)[1] highlights that Materials handling makes production flow possible, as it gives dynamism to static elements such as materials, semi-finished products, equipments, layout and human resources. Despite its importance, materials handling is a topic that frequently is treated superficially by the companies. (Asef-Vaziri & Laporte,2005)[2] attributed to material handling and the most critical material handling decisions in this area are the arrangement and design of material flow patterns. An important aspect of any production system is the design of a material handling system (MHS) which integrates the production operations. (Bowersox and Closs, 1996)[3] provides, the main logistic responsibility in manufacturing is to formulate a master-program for the timely provision of materials, components and work-in-process. Logistics (including materials and goods flowing in and

out of a production facility as well as its internal handling) has become very important to an organization to acquire competitive advantages, as the companies struggle to deliver the right product at the correct place and time. The main challenge is to promote, with low cost, a flow whose velocity allows the execution of manufacturing process with the expected satisfaction level. (Gaither and Frazier, 2004)[4] states the importance of layout, which defines the placement of equipment and, consequently, restricts possible routes and sequencing, can be perceived by the prominence that the subject is treated in production management literature.

3.0 Need of the study

Initially there was Push system that is the material was pushed to the line. It is supplied at continuous interval without the requirement of material. The material is replenished on continuous interval to the line leading to high inventory cost. The super market was far away from the process line. So, the line feeding operator has to travel a lot for feeling the trolleys. There were chances of parts damage and time required for line feeding was more. So it was necessary to optimize the material movement. Considering the problems faced by Company, the Researchers have decided to work in the area of "Lean Implementation" by using Pull system with KANBAN principle to attain cost effective result.

4.0 Statement of the Problem:

It was not feasible for production line to supply material on time and in required quantity. In addition to it, the time taken by the line feeding operator was more as he has to travel more to feed the line. Moreover, the space in the shop floor was not efficiently utilized to store the inventory items. Thus, the researchers decided to take the research work entitled "Lean Implementation by Executing Self Running Loop in MFN-1 Shop Floor at Bosch Ltd."

5.0 Objectives

- To improve overall efficiency through material availability at right time & right place.
- To ensure minimal and smooth material & information flow through Production process.
- To standardise the processes and working environment and optimise resource utilization and material availability.
- To utilize available resources effectively for reducing inventory and logistics cost.

6.0 Scope of the research work

This Research work will help Bosch Ltd. in developing the concept of Self running loop for Soft Stage at MFN-1(Shop Floor) , initiate the changes in accordance with process improvement. standardise the processes and working environment to optimise resource utilization and material availability. It will also help employees at Bosch Ltd. in adopting and following Lean Practices for Operation Excellence and less manual intervention and reducing lead time

7.0 Limitations of the Study:

It was a difficult task to gather all the information regarding the working of all departments in MFN-1 as the manufacturing department has continuous operations. There was difficulty in interaction with the operator is faced. There was resistance from employees to adopt new changes.:

8.0 Sources and Method of Data Collection:

The primary data is collected by researchers by direct observation at the MFN-1 Shop Floor and layout study to trace the movement of material (raw as well as semi-finished jobs). The data is also collected by interacting with front line Managers and operators. The secondary data is collected using company manuals, departmental records, journals and internet.

9.0 Data Analysis

The data, after collection, has to be processed and analyzed in accordance with the outline laid down for the purpose at the time of developing the research plan.

MFN 1 manufactures three kinds of nozzles DLL, DN and DL. Each of these major categories has approximately 350 subtypes of nozzles. Out of the 3 types the production levels of DLL is highest. DLL is German term (Loch-Düsen Länge)

There are two stages in Production viz. Soft Stage and Hard Stage, So among those Researchers concentrated on Soft Stage. Self Running Loop is an Output – Input coupling which provides closed synchronization of Input by Output without manual intervention where production process is mainly triggered by signaling tools like KANBAN.

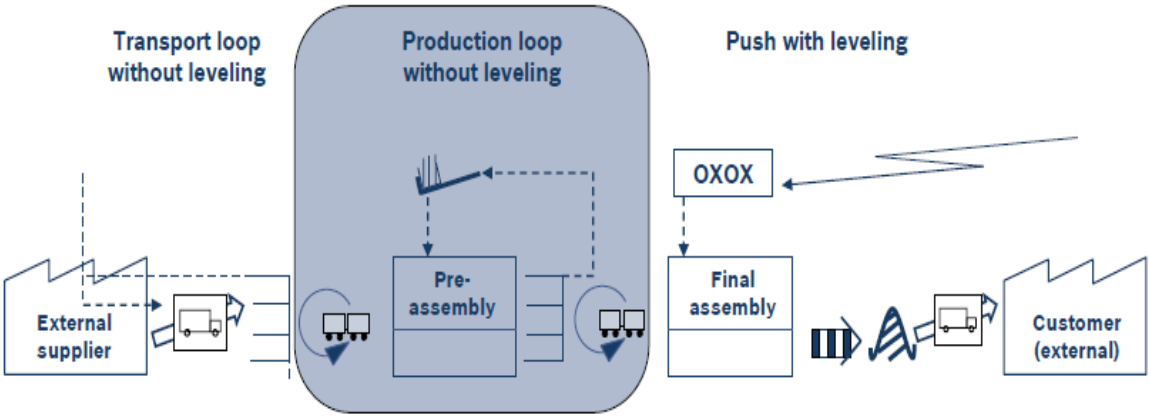


Fig. 1 Consumption control loop in VSM

This Consumption-controlled loops consist of flows of information and material and it works with a FIFO production process and the lot size formation takes place before the production chute. Hence for this the loops must be closed. In this, Material flow is from Left to Right whereas information flow is from Right to Left.

9.1 How just in time is implemented?

By establishing JIT, a company can approach toward zero inventory. Also reducing change over times for modernizing industrial automation process. To implement Just in Time, the researchers have taken help of tools like Supermarket and KANBAN.

9.2 Supermarket:

A supermarket is an area to store parts between supplying and consuming production steps. Task of a supermarket is to guarantee delivery to the customer even if there are problems in production. Supermarket covers demand of downstream process and supermarket allows visualization of the situation in production (problems). The researchers have prepared tags for materials to be replenished in supermarket.

Part Description			Part Number		
Quantity		Lead Time		Order Date	
Supplier			Due Date		
Contact				Card of Location	

Fig. 2 Sample KANBAN Card

The specification on KANBAN card are individually tagged on Supermarket so that it will help out supplier for efficient replenishment of material. The tag contains Part Number and Part description , Quantity, Internal supplier and customer. Supermarket is having tags for replenishment of material (Safety stock, Minimum quantity required and Economic Order Quantity).

9.3 KANBAN:

Kanban card is a carrier of information between the customer and the supplier. It contains code number, part name, quality, supplier and customer. It is a method used to control the production and material flow to support the pull system. Manufacturing/Assembly is carried out only if the Kanban card is present. The number of KANBAN cards is an indicator of Inventory levels.

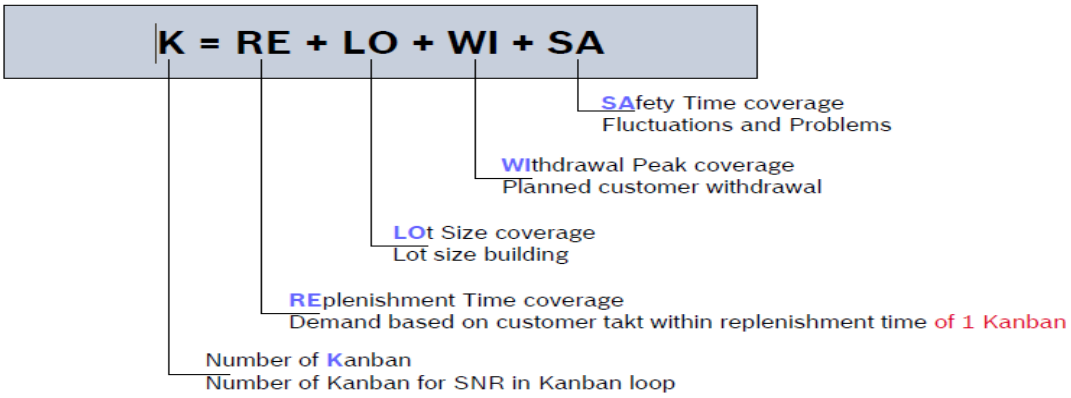
Through this KANBAN system researchers were able to provide control methods for achieving optimization of material flow. This has ensured the optimised delivery performance and material availability at right time, right place and in a right quantity. It is possible to divide work into small value adding increments, that can be independently scheduled. The rate of delivery of customer valued work into production. And for this two major variables which regulates the Throughput those are; WIP (Work In Progress) and Cycle Time.

9.3.1 Factors influencing the number of Kanbans

- Replenishment lead time
- Planned customer demand/ customer pick-up behavior
- Lot size (The number of parts that can be manufactured between two changeovers)
- Number of parts per Kanban (NPK)
- Value stream output and stability of processes
- Planning accuracy of the customer demands

The researchers have assisted to derive KANBAN formula with R & D team of Bosch for optimization of material availability. The details of formula and respective calculations are as follows.

9.3.2 Kanban Formula:



9.3.3 RE Calculation:

The number of Kanban for RE is calculated as follows:

$$RE = \frac{RT_{Loop}}{TT_{Part\ no.} \times NPK} \quad \text{or with} \quad TT_{Part\ no.} = \frac{POT}{PR} \quad \Rightarrow \quad RE = \frac{RT_{Loop} \times PR}{POT \times NPK}$$

RT Loop [time] : Replenishment Time Replenishment lead Time for part number
NPK [units]: Number of Parts per Kanban number
POT [time/period]: Planned Operating Time

PR [units/period]: Period Requirement Demand for part number during period
TT Part no. [time/unit]: Customer Takt Time Customer takt time for part number
Calculation of customer Takt Time:
Customer takt time (TT) = planned operating time /day
Average customer demand/day

Example with sample readings:
Considering Production of DLL-S type Nozzle in MFN-1,
The Average customer demand per day is about 14000 units
Plant Operating Time: 8 Hrs per shift = 28800 sec
30 min Lunch Time = 1800 sec (less)
15 min Tea Break = 900 sec (less)
Hence 28800 – 1800 – 900 = 26100 **sec per shift**
Since there are 3 shifts per day, POT/ day = 26100 * 3 = **78300 sec per day**
Therefore, Customer takt time (TT) = 78300 / 14000 = 5.6 sec/ unit

9.3.4 LO Calculation of individual parameters

The number of Kanban for LO is calculated as follows:

$$LO = \frac{LS}{NPK} - 1$$

$$= \frac{\Delta RT_{Loop}}{TT_{Part\ no.} \times NPK} = \frac{(LS - NPK) \times TT_{Part\ no.}}{TT_{Part\ no.} \times NPK}$$

RTLoop [time]: Replenishment Time : Replenishment lead time for part number
NPK [units]: Number of Parts per Kanban number
POT [time/period]: Planned Operating Time
PR [units/period]: Period Requirement Demand for part number during period
TTPart no. [time/unit]: Customer Takt Time : Customer takt time for part number

9.3.5 WI Calculation:

The number of Kanbans for WI is calculated as follows:

$$WI = \frac{WA}{NPK} - RE - LO$$

WA [units]: Withdrawal Amount
maximum PLANNED cumulative withdrawal amount of customer demand for part number within RTLoop
NPK [units]: Number of Parts Per Kanban Quantity for KANBAN

9.3.6 SA Calculation (Safety Factor)

The number of Kanban for SA is calculated as follows:

$$SA = SA_1 + SA_2 + SA_3$$

9.3.7 KANBAN Calculations for DLL soft Stage:

With reference to the available data and existing parameters, Researchers made the following Calculations for Transport KANBAN for month of July 14 :

	Transport KANBAN Calculation July'14 (25.06-24.07)			
	Type		DLL Body	
	Part number		F002.C31.262	F002.C31.268
	Supplier		BSL	BSL
RE	**RT Loop** = RT1 + RT2 + RT3 + RT4 + RT5 + RT6	min	1080	1080
	Working days per month	days	25	25
	Production plan per month	pcs	53200	234600
	PR (requirement per period)	pcs	2128	9384
	Planned Operating Time (POT)	min	1440	1440
	NPK = parts per Kanban card	pcs	100	100
	= (RTloop x PR) / (POT*NPK)	nos	**16**	**71**
LO	LS = Lot size		3000	3000
	= (LS / NPK) - 1	nos	**29**	**29**
WI	WA		6000	6000
	= (WIP / NPK)-RE-LO	nos	**15**	**0**
SA	SA1 (Internal fluctuation)	nos	0	0
	SA2 (External fluctuation)	nos	0	0
	SA3 (Additional safety)	nos	0	0
	SA1 + SA2 + SA3	nos	**0**	**0**
	Total (RE+LO+WI+SA)	nos	**60**	**100**
	SM Min		1500	0
	SM Max		6000	10000

These KANBAN calculations will help organization in synchronization of assembly, production, and sales rhythm and assembling or manufacturing, based on the customer demand.

10.0 Findings:

Researchers carried out a trial run for two weeks was conducted after implementation of Self Running Loop, it was found that time taken for provided runner type that is Throughput Time (TPT) was reduced by 30% and following benefits are being observed.

1. Effective u tilization of available resources
2. Less Intervention of Operator required
3. Lead Time reduction
4. Reduction in Inventory
5. OEE Improvement due to material Availability.

11.0 Suggestions:

- Considering the benefits and achieved improvements in provided runner type after Self loop Implementation, the Value Stream in MFN-1, Researchers suggested to implement the same for other types .There are about 16 Runner types over the Value Stream (Bosch, NaP).
- The researchers has suggested the management of Bosch to arrange Training and Development Programs as well as Simulation Workshops for the Employees which will help in building an awareness for adopting Lean Practices for better Productivity.

12.0 Conclusion

The researchers contributed for Enhancing Visualization Process through Tagging the Identification & Instruction Labels on DLL Soft Stage Machines at MFN-1 Shop Floor. These Visual Tags are helpful for Employee and Organization in terms of:the clear path for material movement, quick Throughput Time, Timely delivery of material.

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Analyzing Role of Reward Management System on Managing Employee Performance Effectively: Study with reference to Co operative Sugar factories in Pune, Maharashtra

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ABSTRACT:

Maharashtra has one fourth of the total sugar mills & produces a little more than one third of the total sugar of India. Sugar mills of Maharashtra are much larger as compared to the mills of in other parts of the country. Cooperative sector is dominant by sugar industry in Maharashtra; it contributes around 40% of national sugar production. It has been playing significant role in socio economic development in state. Over last decade the sugar cooperatives in Maharashtra have been facing some grave problems like short margin, policy hurdles, entry of private players, employee management problems, corruption & so on. The purpose of this research paper is about to understand the role of Reward management system in managing Employee Performance at cooperative sugar factories effectively. Researcher tries to understand the current needs of sugar factories & employees low productive behavior. This study is about finding relation between reward systems with performance of employees. Study examined relation between extrinsic, intrinsic reward & employee performance. Research was carried out through constructive analysis of different articles, research papers notes that base on reward system. Descriptive &deductive approach of research used.Self designed questionnaire prepared distributed conveniently, collected data analyzed with statistical tool of Mean, standard deviation & Pearson's correlation. Findings of this research in above area show that there is positive relation among elements of reward management system & employee performance.

Key Words: Sugar factories, Sugar factories managementPerformance, Reward system, Performance measurement, Performance Management, Intrinsic & Extrinsic reward

1. Introduction:

This study sought to identify the key predictors of performance Management. The strongest predictors were foundto be company satisfaction, the extent to which one's job takes advantages of talents and abilities,and the extent to which the organization emphasizes doing things right the first time. A workenvironment conducive to a continuous learning culture was also found to be highly associatedwith performance management.

It is prevalent to use different kinds of incentive schemes and rewards in the corporations regardless of their effects and consequences. Anyway, familiarity with the principles of incentive schemes and reward systems is necessary for corporations. Therefore, some topics related to a reward system such as goals of the reward system, principles of giving reward, different types of giving reward, characteristic of reward and punishment, different types of reward to payment management methods and individual and group incentive systems are investigated in this section

The growing need of the management is to get the full potential out of your work force byproviding them the skills and by proper coaching; motivation and appropriate appraisals, and this Could only be possible when the employees are performing efficiently and up to the mark ofachieving the organizational goals and mission.. Tomanage performance of an individual or a group is that the management should have the skills tocoach them in accordance to achieve the organizational goals and the best way is to give them araise in something and it could be a monitory raise or some kind of recognition among others.Different organizations apply different strategies according to their

respective environments,some may get influenced by more experienced or old employees and in response to that give alow performance behavior on the other hand sometime the organization makes reward system sostrong that it gets out of hand for them to manage the organizational goals themselves. Therefore,the management performance system is a balance between the performance of an employee andthe reward he/she gets from achieving the goals of the organization according to its mission.

2. Cooperative Sugar Factories

The **sugar production** being prime business among the farmer of western Maharashtra region, it pulls the attention to have a retrospect on the benefits of this industry flourishing on rural parts of the state. Cooperative movement for sugar industry started in 1960's in Maharashtra with announcement of the potential 12 places in the states where sugar factories could be established.

At present there are 173 cooperative sugar factoriesworking in sound condition which has become livelihood of 2.5 crore population in the state. This cooperative sugar industry provides employment to 1.65 lakh people directly. Almost 8 lakh people are engaged in the harvesting and transportation of sugarcaneto factories from the fields.

The major concentration of sugar mills found in the river valley in the western part of Maharashtra plateau, Ahmednagar is thelargest centre. The other major centers are in the districts of Kolhapur, Solapur, Satara, and Pune&Nashik.

Currently sugar cooperative factories are facing many problems- one of them is Employee Performance Management cause of entry of private players as a competitor.

District wise Cooperative sugar factories in Maharashtra Table:

Sr. No	District	No of Cooperative Sugar factories in Dist
1	Ahmednagar	16
2	Kolhapur	19
3	Nashik	6
4	Pune	11
5	Sangali	15
6	Satara	9
7	Solapur	14

3. Objectives ofResearch:

1. To identify&establish the relationship between reward system & employee performance in Cooperative sugar factories.
2. To analyze the effectiveness of existing reward system.

4. Review of Literature

4.1 Reward:

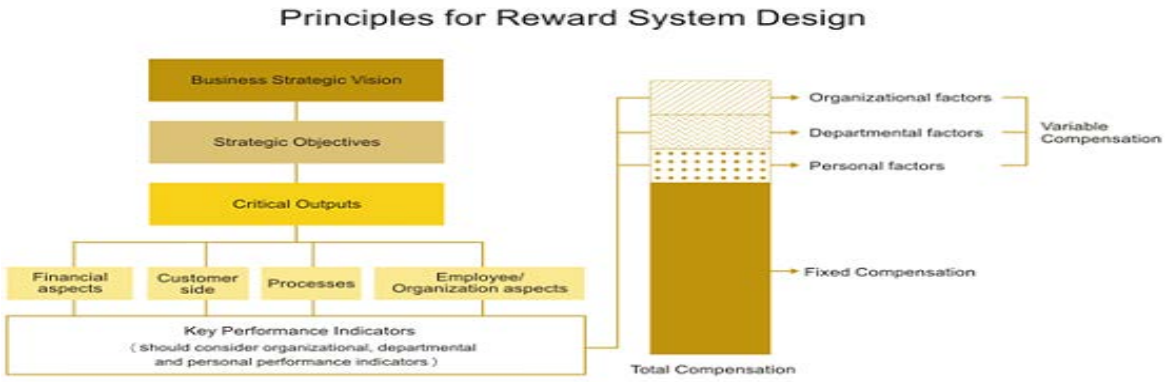
Reward systems are not just bonus plans and stock options. They include both of these incentives;but can also include awards and other types of recognition, promotions, reassignment, or other non-monetary bonuses too. Rewards prove to be as a tool to increase performance and change behaviors in dissatisfies employees. Employees are the assets of the firm and they are the hands and brains through which the whole organizational process comes to life. Therefore, a fair reward system could build job satisfaction and productive behavior in an employee.

In Reward systems there are following conceptual framework exist.

Intrinsic Rewards + Extrinsic Rewards = Reward System =. Employee Performance

According to Bahaudin G Mujtaba, (Coaching and Performance management: developing and inspiring leaders, pp 261, Para 2), "Reward system should be linked with goal-setting, employee development, competency measures, and team performance. This will decentralized the decision making down the hierarchy to empower those performing the tasks.

PwC Taiwan provides a complete reward system model, linked with the performance system, to help clients create a fair reward system to encourage employees to maximize their contributions.



According to Paul J stonich (1981) "corporations often find it difficult to carry out their strategies because they have executive compensation system that measure and reward performance in a way that ignores or even frustrates strategic thinking, planning, and action. In Particular, rewards system rarely emphases the long neither run adequately, nor are they well coordinated with the methods and objectives of other management systems". By this the writer says that, there are corporations that only emphases upon the reward system and ignore their Strategic work therefore, the strategic plan of action gets ignored so as it affects the long run reward system and organizational goals, objectives as well.

4.2 Performance Management System:

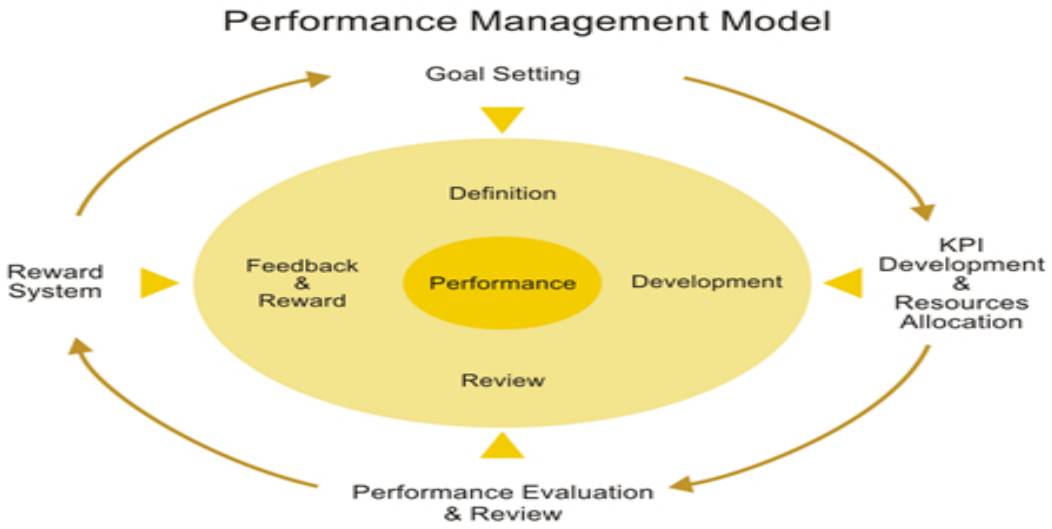
It is the systematic process by which the department of commerce involves its employees, as individuals and members of a group, in improving organizational effectiveness in the accomplishment of agency mission and goals.

Performance management process is used to communicate organizational goals and objectives, reinforce individual accountability for meeting those goals and track and evaluate individual and organizational performance results.

Performance Management System Design

A great performance system does not only recognize and motivate high performers, but also cultivate a performance-driven culture to meet future competition. PwC Taiwan's performance consultation incorporates MBO methodology and emphasizes the linkage between performance and the reward system to maximize business performance.

Unicorn HRO provides performance management tools that can help you formulate plans, monitor progress closely, and even track and manage rewards.An appropriate reward system for all employees and sellers as a part of performance management plan can be resulted in increasing of efficiency and productivity at the workplace. Performance management is a secure way for assessment which conforms the corporation's activity to mission, perspectives and purposes and harmonizes them (Mujtaba, 2010).



4.3 Reward system and performance

Appropriate, effective and timely reward increases employees and managers' motivation. Researches and experience regarding the concept of performance reinforcement have proved that effective and timely feedback can be regarded as a motivation to increase employees' productivity and spirit (Cock, 2008). The studies reveal that there is a significant relation among the extant resources of employees, service compensation, the exchanged information, degree of stress and job burnout in the workplace (Schaufeli, 2004). Corporations usually focus on what managers and employees referred to as reward and emphasize a special value and direct their behavior towards those values (Podhame, 2004).

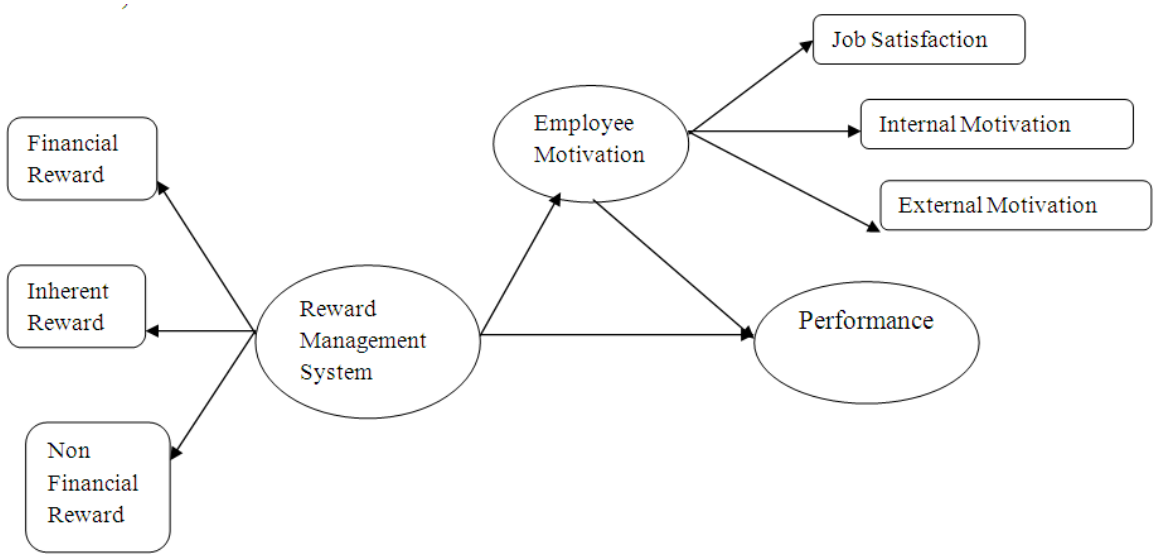


Fig. Conceptual Model

5 .ResearchesMethodology

Research Design	Descriptive Study
Research Method Used	Deductive Approach
Research Technique used	Structured Questionnaire
Data Collection Sources	**Primary** - Self Designed questionnaire **Secondary** - Organization Annual Report, Books, Journals, Articles, Online References
Sampling Technique	Random Sampling
Sampling Size	100
Scale Used	Likert scale (Renging from 1 to 5 – Strongly disagree to strongly agree)
Research Analysis Tool	Mean, Standard Deviation &Persons correlation tools used

Table 1: Operationalization of Variable

Concept	Variable	Indicator
Extrinsic Rewards	Pay	Salary scale based on the job categorization
	Bonus	Rupees(amount an employee receive for their contribution)
	Benefits	Rupees(amount an employee receives for their contribution)
	Promotions	Number of promotions per year
Intrinsic Rewards	Recognition	Employee attitudes regarding fairness in appraising performance
	Career Advancement	Possibility of career advancement opportunities (High or low)
	Responsibility	Given responsibility are matched with the employee capabilities
	Learning Opportunity	Availability and support from organization to learn (High or Low)
Employee Performance	Employee Productivity	Whether the employee productivity is increased or decreased with the changes of the employee rewards
	Job Accomplishment	Achievement of assigned targets within the given time duration

Source: Developed by researchers based on Dharmasiri and Wickramsinghe (2006) and Pretheepakanth (2011)

6. Hypothesis:

1. Reward Management System does not play positive & significant role in employee performance management.
2. Reward Management System plays positive & significant role in employee performance management.

7. Data Analysis&Interpretation:

Variables	Mean	std. Deviation	Pearson Correlation(r)	Level of Significance(p)
Pay	4.03	0.921	0.9068	0.000
Bonus	3.81	0.945	0.721	0.000
Benefits	3.77	0.842	0.733	0.000
Promotions	3.53	0.865	0.307	0.000
Recognition	3.37	0.7022	0.1834	0.000
Career Advancement	3.22	1.005	0.1322	0.000
Responsibility	3.24	0.97	0.144	0.000
Learning Opportunity	3.13	1.26	0.174	0.000
Employee Productivity	3.86	0.8604	0.7805	0.000
Job Accomplishment	3.77	0.9149	0.7005	0.000

Table 1: Descriptive statistics of rewards and employee performance

Result & Interpretation:

Statistics are computed & presented in above table in form of Arithmetic means, standard deviation, Parsons Correlation & level of significance for both the dependent variables & independent variables.

- Mean column shows that the mean for pay, bonus, benefits, promotions, job accomplishments, employee productivity are high (3.53 to 4.03) than the recognition, career advancement, learning opportunity, responsibility (3.13 to 3.37).

Interpretation of Mean: Above mean value shows that the employees consider pay, bonus, benefits, promotions, employee productivity, job accomplishments slightly important than the other.
Interpretation of Std. Deviation: Standard deviation of career advancement & learning opportunity shows that the responses are extensive than its mean as value indicates 1.005 & 1.26 respectively.

If we categories rewards into following two categories with the variables

Table 2: Extrinsic rewards and employee performance:

Variables	Pearson Correlation(r)	Level of Significance(p)
Pay	0.9068	0.000
Bonus	0.721	0.000
Benefits	0.733	0.000
Promotions	0.307	0.000

** Correlation significant 2tailed

Interpretation:**Extrinsic rewards & employee performance**

From table 2 it shows that the pay (r = 0.906, p< 0.1) has a very strong relationship on employee performance . Means increase or decrease of pay will bring corresponding changes on employee performance.

Even employee performance has strong relationship with bonus, benefits which have correlation values 0.72, 0.733.

Promotions have little week relationship on employee performance as value of correlation is 0.307.

Table 3: Intrinsic rewards and employee performance:

Variables	Pearson Correlation(r)	Level of Significance(p)
Recognition	0.1834	0.000
Career Advancement	0.1322	0.000
Responsibility	0.144	0.000
Learning Opportunity	0.174	0.000
Employee Productivity	0.7805	0.000
Job Accomplishment	0.7005	0.000

Interpretation:Intrinsic rewards & employee performance

Above table shows correlation between intrinsic rewards with employee performance. Employee productivity, job accomplishment shows strong relationship with employee performance. Meanwhile responsibility, career advancement, learning opportunity showed weak relationship towards employee performance.

Employee productivity gives great impact to the employees' performance. The importance of the chance he revealed that intrinsic reward plays important role in employee performance.

Pearson correlation between independentvariables and dependent variable included in the study. The correlation coefficient shown was shown a strong relationship between extrinsic rewards r= 0.6669 and employee performance. P is 0.0 < 0.01, can reject null hypothesis. The alternate hypothesis ($H1_)$ was accepted. Also intrinsic rewards also showed comparatively weak relationship than extrinsic rewards towards employee performance r=0.3524 with significant level less than 0.01.

Extrinsic, Intrinsic rewards and employee performance

Variables	Pearson correlation (r)	Level of significance(p)
Extrinsic rewards	0.66695	0.000
Intrinsic rewards	0.3524	0.000

Correlation significant at the 2 tailed level

H_1 hypothesis states the positive relationship between extrinsic rewards and employee performance and based on the result it was accepted. It shows that the relationship between pay & employee performance.

It proves that maximum employees of cooperative sugar factories prefer monetary rewards irrespective of their position. Money is a measurement of accomplishment. According to Herzbers's two factor model of motivation, pay is viewed primarily as a hygiene factor which motivates employees towards the higher employee performance.

Researcher from the above interpretation believes that themoney is important to employee because it satisfies employees most needs, wants & it's a highly tangible recognition for employee's contribution.

8. Conclusion:

Human resource is the basic asset for an organization for achieving sustainable competitive advantage. Attracting &retaining competent workforce is major task in front of every organization. Employee performance plays major role in achieving organization vision mission. In current scenario employee attrition rate in every industry is high. Employee retention& employee performance can be improved when employees are motivated to achieve their goals with employee's basic needs. Research proved the objective of research which is relationship between employee performance & rewards system. Study concludes that the rewards system in cooperative sugar factories plays vital role in enhancing employee performance. It's a responsibility of cooperative sugar factories to

develop unique reward strategy with aim of achieving, sustainable competitive advantage over private players.

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Study of Multilevel Knowledge Sharing Practices in Various Organizations

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ABSTRACT

The organizations have to compete with time and cost pressures, uncertainties, increasing emphasis on innovations and creativity; informed, studied and demanding customers, zero defects quality and rigorous policies. Knowledge Management is critical in reshaping the business policies and procedures in tune with the issues mentioned above. Instead of buildings, machinery, cash, land and labor etc. the organizations major asset is the intellectual capital. Day by day skills, knowledge, know-how etc. enter and leave the organizations. The biggest challenge faced by Indian organizations implementing KM systems is to encourage employees to add to and use the existing knowledge collection. The paper focuses on how progressive organizations in the area such as manufacturing, energy, information technology, healthcare, construction; focus on sustainment and growth of its intellectual asset to gain competitive advantage.

Keywords—Knowledge; Knowledge management; Knowledge sharing; Knowledge transfer**.**

I. INTRODUCTION

With ongoing globalization, organizations are increasingly dealing with worldwide competition. talent, skills, relationships, human networks and institutional knowledge are the great intangible assets of any organization. In order to build and sustain their competitive advantage, the knowledge and expertise of an organization's staff needs to be seen as a critical resource. This paper presents a general overview of knowledge management (KM) and discusses the transfer of knowledge and expertise throughout organizations to ensure the successful and effective retention of expertise.

II. KNOWLEDGE MANAGEMENT

Knowledge management (KM) consists of a range of approaches and practices used in an organization to identify, create, represent, distribute, and enable adoption of insights and experiences. Such insights and experiences comprise knowledge, either embodied in individuals or embedded in organizations as processes or practices.

The term knowledge management is used to refer generally to all efforts to enhance and increase the value of the generation, sharing and application of knowledge, leveraging the expertise and know-how of people across the organization, solving intractable and wicked problems which will assist in improved performance, competitive advantage, featuring new ideas or methods, the sharing of lessons learned, integration and continuous improvement of the organization.

The organizations must take efforts on change that is relatively permanent, based on some experience, support and learning. [10]

III. KNOWLEDGE SHARING PRACTICES IN VARIOUS ORGANIZATIONS

Developing the right knowledge sharing procedure enables organizations to improve work practices, take better decisions; and avoid the criticism that comes from failing to learn from previous experience. It is important to learn from past mistakes and avoid the same experiences in the future. To aid the development of an efficient and effective knowledge system, knowledge transfer has to take place across an organization. Here we will discuss the knowledge management initiative taken by the organizations in various fields such as healthcare, manufacturing, retailing, academics, construction, information technology etc.

A. KM initiative in Healthcare by AECS and LAICO

The Aravind Eye Hospital is a social organization started in 1976 committed to the goal of elimination of blindness through comprehensive eye care services and grown into several hospitals across India screening 2.7 million people and performing 400,000 operations every year free for the poor. Aravind Eye Hospital has become the world's largest provider of cataract surgery and comprehensive ophthalmic care. In appreciation of its innovative work providing affordable, world-class eye care to the poor,

The two great movements one in technology (the FOSS) and the other in Health Care – The Aravind Eye Care Systems (AECS) and Lions Aravind Institute of Community Ophthalmology (LAICO) that trains blindness prevention workers. Coming together of the two is an e-learning platform called Aurosiksha which is based on Moodle. It contributes in improving the quality of eye care services through teaching, training, capacity building, advocacy, research and management consultancy, share its rich knowledge base, and in the process create a community of lifelong learners. The goal of Auroshiksha is to allow users

1. To learn about the theories, techniques and practical aspects of both clinical and non clinical eye care management.
2. To provide an online space where participants can learn, share and develop their knowledge of providing the best eye care services in all the aspects from fundamental concepts to advanced skills using assessed, accredited and self reflective activities and resources.
3. To create courses that cover the broad needs of our trainees that includes eye care program managers, administrators, and others.[12]

B. KM at Infosys Pvt. Ltd.

Infosys Technologies' KM vision is to be an organization where every action is fully enabled by the power of knowledge; which truly believes in leveraging knowledge for innovation; where every employee is empowered by the knowledge of every other employee; which is a globally respected knowledge leader. [9]

For this Infosys designed centrally operated knowledge repositories-Knowledge Shop (K-Shop); Process Asset Database (PAD) and People Knowledge Map (PKM).

1. *Knowledge Shop*: It has been built on Microsoft site server technology, and can be accessed through a web-interface linked through the Infosys intranet "Sparsh". The employees are encouraged to share and submit papers, project experiences, internal or external literature, innovative ideas, technical solutions, their knowledge on concerned subjects and so forth. In addition, the K-shop also provides a single as well as multiple parameter searches. [8]

   When a document is submitted to K-shop by an employee, it is reviewed by experts. If found acceptable, the K-shop publishes it. Both the reviewer and author are rewarded with Knowledge Currency Units (KCU) when an employee reads or uses a document from the K-shop, he or she is encouraged to give KCU. Authors can accumulate KCUs for their documents and redeem them for cash or other gifts. Thus recognizing and rewarding innovation and KM is done through funding for presentation at conferences, publications on web sites, KCU etc.
2. The *Process Asset Database* is another online system to capture the project deliverables. This contains project artifacts such as project plans, database design references, high and low level design documents, development and test plans etc. employees can search the related documents based on project code, project type, unit, customer type, customer name and so forth which

benefits and helps provide new projects with information on similar, previously executed projects and thus helps set qualitative goals.

3. The *People Knowledge Map* or the PKM is a knowledge directory of experts in varied fields. The employees are able to search and locate experts through this intranet based system. There are various expert technology enabled teams that can be contacted through this portal which help employees working on some specific technology to resolve their issues and thus in a way helps faster delivery. [7]

Thus KM has helped Infosys increase its productivity and reduce defect levels. Infosys has been able to create a sustained environment for continuous learning and collaboration among people across geographies and functions.

C. KM at Tata Steel

The essence of Knowledge management is to capture the available abundant knowledge assets either in form of tacit (experience, learning from failure, thumb rules, etc.) or explicit (literature, reports, failure analysis etc.), to organize and transform the captured knowledge, and to facilitate its usage at right place and at the right time.

Tata Steel aims at capturing knowledge from various working groups, experts and outside agencies who play a major role in day-to-day functioning. The major stakeholders covered under KM include Senior Management, Officers, Employees (Supervisors & Workmen), Customers, Supplier, Experts (In & outside company).

Tata steel has used different tools of Knowledge Transfer such as

1. *Knowledge Contribution by an individual :* All contributions are first sent to a set of subject matter experts to check their relevance, correctness of information and utility to the company before being available in portal for public usage.
2. *Ask Author:* A user can present his/her queries to the author regarding any particular Knowledge Piece.
3. *Ask Expert:* A panel of experts is identified area-wise to answer queries of users from all corner of Tata Steel. This feature directs the query to the relevant expert and thus helps the questioner in seeking his answer. The queries also remain open for other users to attempt a reply.
4. *Knowledge Usage:* Any employee can bring about intangible/tangible savings in related work areas by using an existing knowledge asset.
5. *Communities of Practice:* To encourage knowledge sharing behavior various Communities of Practice or Knowledge Communities are formed. The knowledge communities continuously look for new bench marks, identify gaps, set targets and strive to achieve them through experiments and best practice deployment. In the process, the new knowledge gathered is collected in the form of various K-Products, such as, Best Practice Identification, Trial of new products, Experiments and Best Practice deployment.
6. *Content Management:* Knowledge pieces from related area are collected and compiled together to make a consolidated one at one place. The knowledge repositories of Tata Steel are huge in size and also in content and efforts are also made to keep it current and presentable.
7. *Involving shop-floor employees in KM:* A large number of employees in Tata Steel are deployed at the shop-floor. These employees really possess a wealth of knowledge. In order to capture the tacit knowledge from shop floor and to facilitate horizontal deployment of the same at all other locations, a new initiative named as Knowledge Manthan (means churning) has been started in 2004. Realizing the rich dividend from its Knowledge Manthan initiative the Knowledge management group has extended the idea of involving grass-root employees by launching yet another initiative named ‘MASS’ in the year 2005.

D. *KM at Zensar*

Zensar Technologies (Zensar) is a globally renowned software services company that specializes in providing a complete range of Software Services and Solutions.

According to Dr. Natarajan knowledge sharing is a difficult task due to lack of time to share knowledge, and time to identify colleagues in need of specific knowledge, fear of reducing job security, low awareness and realization of the value and benefit of possessed knowledge to others, dominance in sharing know-how and experience that requires hands-on learning, observation, dialogue and interactive problem solving, use of strong hierarchy, lack of trust in people because they misuse knowledge or take undeserved credit for it. "Demonstrating success and incentivisation would help," suggests Dr. Natrajan. To popularize the shared culture of learning within the organization, Zensar is holding workshops and training sessions.

The company has rolled out its Knowledge Management System, K-Zen to have a Knowledge Management System in place to transform it into a dynamic learning organization for growth and consumer satisfaction. It is an effort to capture the vast amount of knowledge stored within Zensar.

K-Zen is capturing the intellectual capital of the organization, which includes technologies mastered, processes nurtured, markets serviced, and the people groomed and grown. The aim is to make this repository an active agent in the company's growth plans by reducing costs, increasing productivity and improving services and products. The system would effectively deploy the experience gained from best practices across the organization in customer engagements and projects across markets and geographies.

The company will be able to bring the project delivery cycle time, with cost savings for the customer.[13]

E. KM at ICICI

The purpose of ICICI was to provide medium and long-term development finance for Indian business.

Initially, the organization was motivated to act due to the disturbance caused by the dot-com boom. Due to which many good staff left in considerable numbers to join dot-com start-ups – taking their knowledge and know-how with them.

The issues evolved are to overcome the problems caused by staff turnover, to connect and manage the new team of employees with each other via communication, messages, and channels, to share business-related information about clients, deals and ideas; to ensure that every person in the company is adequately equipped with the skills and training required for their jobs and for lifelong learning and development.

ICICI therefore developed various tools such as WiseGuy, Daily Dose, K-mailers, Query Board which are easily accessible from the main staff portal and provides a way of capturing and disseminating the knowledge of departing staff.

1. WiseGuy

The WiseGuy KM portal also encompasses a variety of sections including: document management; news inside and outside the organisation; digital resources such as trade and news journals, research reports, maps, directories, currency and time calculators; information on the various business groups and group companies, complete employee information; and, interactive sections such as discussion forums, query boards, book reviews, online quizzes, the rewards and recognition scheme, and so on.

2. Daily Dose

Daily dose is a summary of what is new in the outside world and on the portal. The Daily Dose represents an important part of their working day. It features headlines, opinions, polls, happenings, customer appreciations, newsletters and other regular updates that are delivered direct to mailbox. It helps the KM team to capture the mind space of employees as soon as they sit down to work in the morning.

3. K-mailers

K-mailers are short, one-page reviews on any one six categories; internal newsletters from various domain specialists; online quizzes; 'word power' articles or glossaries; training modules; and, a whole library of online research tools.

4. Query Board

Query board is a central, interactive frequently asked questions repository by and for staff, is where they can post any work-related queries, such as the number of cheques that can be deposited at any one time, customer credit questions, cheque returns and so on.

F. KM at Wipro InfoTech

Knowledge Management in Wipro Infotech has three objectives:

- Mature the organization to a competency based and knowledge driven organization.
- Enable new technology/practices adoption for diversification and growth.
- Develop competency extension framework to create new business opportunities.

The Wipro Infotech KM framework has three main agendas.

LEARNING, KEEP (Knowledge Enhancement, Extraction and Practice), CARE (Competency Augmentation with Research Excellence).

1. LEARNING

Learning ensures that people put together their competency using a mix of tools and processes like E-learning, know-how inference and skill development through focused training and adapted lessons. Learning is based on the competency model which consists of followings (1) Competency definition (2) Evaluation of current competency for existing technology (3) Evaluation after developing the competency on newer technology. For technical part Competency is based on expertise, know-how, quality. Online evaluation and assessment is used to identify current competency levels. E-learning and Instructor Lead Training (ILT) are extensively used to bridge the gaps. E-learning includes workshops, online mentoring and contact sessions to ensure complete learning.

2. KEEP

Through the KEEP (Knowledge Extraction, Enhancement and Practice) initiative, they ensure collection of knowledge and expertise within the organization into a central repository. The knowledge is supplemented by gathering additional information from various external resources. The four pillars of KEEP are taxonomy (a uniform structure through which knowledge can be stored and accessed), IT enablers, practice based offering and knowledge channels.

3. CARE

Through CARE (Competency Augmentation through Research and Excellence), they motivate on the expertise and knowledge built up in the organization to come up with innovative products and services. They knock creative thinking, people competency and expertise, supplementing it with a technology track activity, resulting in higher intellectual property. This is done by facilitating a technology roadmap creation for various business divisions, using external research resources and internal intelligence. This is supplemented by a well-defined process for innovation that taps organisational creativity, and funnels it into a rigorous engine that brings virtual teams together under an exclusive sponsor, to take the idea forward. The organization provides a Centre of Excellence, Terra Nova, to try these new technologies, services and products for customer effective solutions.

G. Knowledge transfer in construction

Construction is an industry which uses a variety of separate firms in atemporary multidisciplinary organization. It produces investment possessions like buildings, roads, bridges etc. It is having short-term, temporary, project-based and more fragmented nature. The industry is generally driven by single and unique projects. The project teams at the starting of the project and ending of the project is made up of combinations of large and small firm (Carty,1995; Halpin and Woodhead, 1998).

The services offered by these professional organizations are characterized by being highly tacit knowledge intensive in nature (Løwendahl, 2000).

Construction employs extremely diverse range of people from a wide range of occupational cultures and backgrounds, including people in unskilled, craft, managerial and professional positions, challenging to manage people effectively to ensure organizational success.

However, despite the interest and the effort put into KM by many leading companies, the discipline is still in its infancy in the construction industry and is at an embryonic stage in the UK construction (Robinson et al., 2001; Carrillo, 2004). As Rezgui (2001) cited, there are few key reasons that limit current approaches of KM in the construction industry. Among the key factors for these limitations are:

- Much construction knowledge, by necessity, resides in the minds of the individual working within the domain.
- The intent behind the decisions is often not recorded or documented.
- The individuals who have knowledge about the project are likely to leave for another project at the end of the construction stage; hence their input is not captured.

*H. Knowledge Management at **Z**ara*

There is an excitement when you walk into a Zara retail stores. Their fashions are unique. One sees styles not seen in other department or specialty clothing stores. It is claimed that Zara needs just two weeks[3] to develop a new product and get it to stores, compared to the six-month industry average.

The ways that Zara has achieved this are numerous.

1. Communication:

Its designers are in daily contact with Zara's store managers for receiving customer wants and preferences. They utilize handheld computers to send information on what they hear and see from customers. They can also view the point-of-sale data that comes into HQ immediately from every Zara store, showing what's selling, and even what customers try on but do not buy – by scanning the items as people exit the fitting room. This makes the designers very responsive to customer feedback.

The store managers communicate information on customer wants and preferences to merchandisers and design teams. Internal communication is maximized by housing on one floor the designers, pattern makers, merchandisers as well as every one else involved in getting the product completed.

2. Exclusivity

Zara has a large design team in Northwest Spain. It works exclusively in identifying the latest styles and trends and converting these ideas into new fashion items. Zara limits the availability of each style, which often makes it more desirable. A fashion seen one week may not appear in the store the next week. Reorders are rare and in-store stocks look fresh every three to four days. It has the latest equipment for fabric dyeing and processing, cutting and garment finishing.

3. Proximity

Most of the Zara production is based on fabric cut in house. It outsources sewing to nearby production units. When Zara does outsource production, it is generally close to home. The benefit of this is much shorter lead time than that of other companies. Zara sources over 50% of its production in 'proximity' locations.[2]

4. Training

Zara hires young designers and trains them to make quick decisions. Decision-making is encouraged. Designers are trained to limit the number of reviews and changes, speeding up the development process and minimizing the number of samples made.

5. Organization Culture

At Zara, the employees work as a team to get the job done successfully. When they are considering a new product, it gets designed, made and critiqued in a matter of a few hours. All the

employees have to work together to finish this process. The article states that Zara "Requires employees who are humble enough to accept feedback from colleagues, share credit with their team for winning ideas" (6). When employees go on a business trip, they fly coach. Team members are switched around to create fresh ideas, there is competition among the teams, and continuous feedback.

III. CONCLUSION

The changing environment has directed to the break of traditional concepts of products and services. The importance is increasingly on innovation and creativity. Understanding this, firms have started building Knowledge Management (KM) systems in order to support efficient usage of its intellectual capital. The biggest challenge faced by firms implementing KM systems is to motivate employees to contribute to and utilize the existing knowledge. Firms which have overcome such difficulty have obtained good dividends from their investment in these systems. Moreover, it is believed that inculcating the culture of sharing and increasing contributions to the knowledge pool will be easier if firms adopt policies which provide social incentives rather than economic incentives to its best employees. Investing in KM systems most definitely will serve Indian firms to move up the value chain.

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Spiritually& Emotionally Intelligent Leadership

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ABSTRACT:

Emotional & Spiritual awareness among individuals and within the team requires first that individuals develop their ability to determine their emotional state and that of the group as a whole. Intelligence Quotient (IQ) represents our ability to create rational concepts and to understand those of others, and Emotional Quotient (EQ) represents our ability to know and master our own emotions and influence those of others. In a similar way, SQ is a representation of our ability to understand the real meaning of our toil, of knowing our own key motivators (such as: what is the real, basic reason for which I am ready to spend many extra hours in the office? Or, why am I ready to spend all day driving the kids around?). SQ also helps us understand what are the basic motivators of those with whom we are working, what is it that gives them meaning to their own toil? Once we understand these basic sources of meaning (for ourselves and for our team members, for example), Spiritual Intelligence is the ability we have to activate the correct motivators, and add a dimension of meaning to our endeavors that dimension of meaning which is so often missing in our work, and in our lives. Why does Sameer dedicate his full energy to the work at hand, while Sunil doesn't? Developing our SQ can both help us answer these questions, and show us the way to improve the situation. The actual border between SQ and EQ is understandably unclear, as many motivational aspects are relevant for both. However, defining this border (if it exists) is a challenge that psychology and scientists can figure out for us. In this paper, we are mainly interested in the practical implications of SQ, and in how to make it work for as many people as possible.

Introduction:

Maslow's hierarchy of needs is a theory in psychology proposed by Abraham Maslow in his 1943 paper "A Theory of Human Motivation" in Psychological Review.[2] Maslow subsequently extended the idea to include his observations of humans' innate curiosity. His theories parallel many other theories of human developmental psychology, some of which focus on describing the stages of growth in humans. Maslow used the terms "physiological", "safety", "belongingness" and "love", "esteem", "self-actualization" and "self-transcendence" to describe the pattern that human motivations generally move through. Maslow's "pyramid" indicates the hierarchy of needs based on which each individual will be evaluating their own situation. The scale of motivations offers a chart of which motivators act at each level of needs (if I am in need of safety, actions I take will be motivated by lack of safety, i.e. craving, fear or anguish). For each motivator, Zohar defines a strategy of improvement (I will help my team member motivated by fear to overcome this by helping them see the opportunities which adversity offers: new learning, new solutions, new contacts, and so on). In which cases are typical motivation schemes, based on cash bonuses, useful? Using the chart above, it is quite clear that these will work in those cases in which a person is motivated by:
Fear: if I do not make my bonus I have a significant impact in my standard of living (i.e. cannot feed my family, pay the mortgage, etc.),

Craving: I simply need more and more money… I need to be able to do more and more shopping…. I.e.: some form of addiction.

Self-Assertion: I need to prove that I can earn more than my colleague, my neighbor; or my wife…

Yet, the most productive motivators are the positive ones, from Exploration upward. We would certainly prefer a team member to be motivated by cooperation rather than fear, or by striving for mastery rather than self-assertion.

In fig. 1 we have associated Maslow's Hierarchy of Needs to employee engagement to ensure the scope of the paper remains focused on the application in HR Management for corporations.



Fig. 1Maslow's Hierarchy of Needs

Intelligence quotient or IQ as an ability to solve an objective problem alone, can be used to make a person to be competent enough (Brody and Brody, 1976). Besides, there are other tools in assessing people competencies, emotional quotient and spiritual quotient. Still, emotional quotient refers to an ability understand our emotions and other people (Goleman, 1995). Spiritual quotient refers to an ability to access our deepest meanings, values, purposes and motivations (Zohar and Marshall, 2004). Both of these quotients are the important elements to create a person to be a competent employer (Boyatzis, 1982; Spencer and Spencer, 1993; Goleman, 1995; Zohar and Marshall, 2004). In order to help our team members up the scale of motivations, Zohar has proposed the SQ processes of change.

Literature Review:

This whitepaper points out a few references which were instrumental in: identifying behavior/traits which would be natural outcomes of an enhanced spiritual quotient and would contribute to effective leadership; validating the assumption that exposure to the concepts embodied in Indian traditional thought would enhance spiritual quotient. Our primary source of inspiration was a 2005 article, "Spiritually intelligent leadership", by Danah Zohar, physicist, philosopher and management thought leader. The following excerpts from this article are relevant: Great leadership depends primarily on vision – not just any type of vision, but one that people can appreciate intellectually, emotionally, and spiritually. One reason that visionary leadership is in short supply today is the value our society places on one particular kind of capital – material capital. Too often the worth or value of an enterprise is judged by how much money it earns at the end of the day, or how

much worldly power it gives us over others. This obsession with material gain has led to short-term thinking and the narrow pursuit of self-interest. It is true that any kind of enterprise we want to engage in requires some kind of financial wealth if it is to succeed in the short term. But for leadership to inspire long-term, sustainable enterprises, it needs to pursue two other forms of capital as well: social and spiritual. Leaders build all three forms of capital – material, social, and spiritual – by using their own intelligence. Intelligence itself is of three types: of the mind (IQ or Intelligence Quotient), of the heart (EQ or Emotional Quotient) and of the spirit (SQ or Spiritual Quotient). IQ refers to rational, logical, rule-bound, problem-solving, goal-oriented intelligence. EQ is manifested in trust, empathy and in the ability to respond appropriately to the emotions of others. SQ, our spiritual intelligence quotient, underpins IQ and EQ. Spiritual intelligence is an ability to access higher meanings, values, abiding purposes, and unconscious aspects of the self and to embed these meanings, values, and purposes in living a richer and more creative life. Signs of high SQ include an ability to think out of the box, humility, and an access to energies that come from something beyond the ego, beyond just me and my day-to-day concerns. SQ is the ultimate intelligence of the visionary leader. It was the intelligence that guided men and women like Churchill, Gandhi, Nelson Mandela, Martin Luther King Jr., and Mother Teresa. The secret of their leadership was their ability to inspire people, to give them a sense of something worth struggling for. Danah Zohar then offers a framework for fostering spiritually intelligent leadership by nurturing the following traits:

- Self-awareness: knowing what I believe in and value, and what deeply motivates me
- Spontaneity: living in and being responsive to the moment
- Being vision- and value-led: acting from principles and deep beliefs, and living accordingly
- Holism: seeing larger patterns, relationships, and connections; having a sense of belonging
- Compassion: having the quality of "feeling-with" and deep empathy
- Celebration of diversity: valuing other people for their differences, not despite them
- Field independence: standing against the crowd and having one's convictions
- Humility: having the sense of being a player in a larger drama, of one's true place in the world
- Urge to ask fundamental 'Why?' questions: need to understand things in depth, not just superficially
- Ability to reframe: to stand back from a situation or problem and see the bigger picture
- Positive use of adversity: Learning and growing from mistakes, setbacks, and suffering
- Sense of vocation: feeling called upon to serve, to give something back.

METHODOLOGY

The challenges in using EQ and SQ in practical job related situations are many:

- There is a common belief that interest in matters spiritual and emotional is inversely correlated to one's age – hence getting young workforce to opt for such practices is likely to be difficult
- The subject matter itself, 'spirituality', might be considered inappropriate for a professional corporate world
- Designing the policies and processes to adopt 'emotional' and 'spirituality' characteristics in corporate world poses substantial challenges
- A degree of professional rigor is required from every corporate, which might be difficult to incorporate in short span of time.

Hence, in this whitepaper, we propose few practical approaches of utilize EQ and SQ towards successful leadership.

EQ: A Key Skill for Today's Managers & Leaders

Management has changed over the last couple of decades. The old 80's style of management and motivating people by fear has evolved and today's management is a much more supportive, encouraging, inclusive and altogether more effective form of directing and developing people. That said, although this is a softer approach, it is no less rigorous as it encourages people to take responsibility for themselves and become accountable for their actions. In a way, managers have a tougher job now than they did in the past. A more subtle approach requires a more refined skills set and many "old style" managers are finding it difficult to adapt.

To stay ahead of the game, managers need to possess a high degree of emotional intelligence (EI). In the past, IQ was enough to get you to the top but in our current business environment, your emotional quotient (EQ) is just as vital and, in some cases, more so.

In an environment where IQ levels are likely to be comparable (such as an accountancy firm) your EQ could be the differentiating factor that sets you apart.

Many organizations are now measuring EQ at the recruitment stage and when developing management capability. A good emotional intelligence course is the ideal way to learn how to increase your EQ and become a better manager. There are 4 areas of EI, all equally important for a manager. These were developed by the originators of the Emotional Intelligence theory – Professor Jack Mayer and Professor Peter Salovey:

1) Recognizing Emotion

Good managers are able to recognize emotions in themselves and others. This requires an openness to emotion to be able to answer the question, "how am I feeling today" with a one word answer. Recognizing emotion also involves the ability to recognize emotion in others through their facial expressions. Are they happy, sad, and angry scared or surprised?

Our facial expression often reveals what our words do not and is vital for telling us how people really feel about our plans, proposals or opinions.

2) Using

This is about the link between emotions and cognitive thinking. Successful managers know it is not possible to make a decision "with our heads or our hearts." Emotions are involved in every decision that we make and we need to pay attention to them. If you know which emotions are useful for which tasks and can switch moods, create a mood task match. Then you will be more effective and efficient in your day to day jobs.

3) Understanding

Understanding the combination of emotions we feel at a deeper level is a vital element of EI. Understanding also involves identifying the causes of emotion as well as tracking how our emotions change over time. Emotions follow logical patterns. Knowing these patterns will greatly enhance your emotional "what if" planning.

4) Managing

Finally, our skills at managing our own and others' moods will determine how well we deal with difficult situations. Rather than ruminating or suppressing emotion, to be effective we need to go to the emotion (recognize it), get insight (through using and understanding) and then go through the emotion.

10 Practical Ways to Enhance EQ

1. Don't interrupt or change the subject: If feelings are uncomfortable, we may want to avoid them by interrupting or distracting ourselves. Sit down at least twice a day and ask, "How am I feeling?" It may take a little time for the feelings to arise. Allow yourself that small space of time, uninterrupted.
2. Don't judge or edit your feelings too quickly: Try not to dismiss your feelings before you have a chance to think them through. Healthy emotions often rise and fall in a wave, rising, peaking, and fading naturally. Your aim should be not to cut off the wave before it peaks.
3. See if you can find connections between your feelings and other times you have felt the same way: When a difficult feeling arises, ask yourself, "When have I felt this feeling before?" Doing this may help you to realize if your current emotional state is reflective of the current situation, or of another time in your past.
4. Connect your feelings with your thoughts: When you feel something that strikes you as out of the ordinary, it is always useful to ask, "What do I think about that?" Often times, one of our feelings will contradict others. That's normal. Listening to your feelings is like listening to all the witnesses in a court case. Only by admitting all the evidence will you be able to reach the best verdict.
5. Listen to your body: A knot in your stomach while driving to work may be a clue that your job is a source of stress. A flutter of the heart when you pick up a girl you have just started to date may be a clue that this could be "the real thing." Listening to these sensations and the underlying feelings that they signal will allow you to process with your powers of reason.
6. If you don't know how you're feeling, ask someone else: People seldom realize that others are able to judge how they are feeling. Ask someone who knows you (and whom you trust) how you are coming across. You may find the answer both surprising and illuminating.
7. Tune in to your unconscious feelings: How can you become more aware of your unconscious feelings? Try free association. While in a relaxed state, allow your thoughts to roam freely and watch where they go. Analyze your dreams. Keep a notebook and pen at the side of your bed and jot down your dreams as soon as you wake up. Pay special attention to dreams that repeat or are charged with powerful emotion.
8. Ask yourself: How do I feel today? Start by rating your overall sense of well-being on a scale of 0 and 100 and write the scores down in a daily log book. If your feelings seem extreme one day, take a minute or two to think about any ideas or associations that seem to be connected with the feeling.
9. Write thoughts and feelings down: Research has shown that writing down your thoughts and feelings can help profoundly. A simple exercise like this could take only a few hours per week.
10. Know when enough is enough: There comes a time to stop looking inward; learn when it’s time to shift your focus outward. Studies have shown that encouraging people to dwell upon negative feelings can amplify these feelings. Emotional intelligence involves not only the ability to look within, but also to be present in the world around you.

SQ – A new dimension of Leadership:

Spiritual Quotient (SQ) and Spiritual Intelligence (SI) Are Comparatively New Fields. Spiritual quotient and spiritual intelligence are not the part of scientific terminologies yet. They may become someday. Clinical definition of SI or SQ is not available. Yet, there is a growing understanding of these two terms (SI and SQ) among many and they believe that these exist.

We hear lots of these terms frequently: spiritual intelligence, spiritual quotient, spiritual relation quotient, soul's intelligence, cosmic intelligence, self-actualization etc. Human being's interest ever multiplies in both the directions: the scientific and empirical. It will be interesting to explore this subject of SI and SQ. We think muscles are powerful because with them we can lift heavy weights. But come to think of it, they are not because it is the tiny thread like structures called neurons that give power to muscles. The moment we disconnect the neurons in the brain from muscles, the muscles just can't function. These neurons actually bring the power from something still finer-thoughts and perhaps, something more finely.

So, the greatest power lies in fine and not in course. All along it was IQ that was thought to be supreme- the cognitive and rational intelligence. Then came the concept of emotional intelligence (EI)

and emotional quotient (EQ) sometime during mid-1990s. It was thought that our emotions and those of others and how to manage them were as important or even more important. EQ was thought to be the basic requirement for better use of IQ. It is known that if the brain areas with which we feel get damaged, we would think less effectively.

And lately, we have added a new dimension to human intelligence- the SQ. It is considered to be the ultimate intelligence. It is believed that it is through SQ that we are in a position to solve the issues related with meaning and value. Some examples of the issues related to meaning and value are the constant search of human beings for answers to the fundamental and ultimate questions like: Why was I born? What is the meaning of my life? Does my work give me the satisfaction I need? Do I relate to myself and to the other people well? What way am I contributing to my and others' happiness? Should I go on even when I am tired or depressed? What makes it all worthwhile? Answers to such questions lead us to happiness and SQ helps to answer these questions better than what IQ and EQ in their separate capacities are capable of. Human beings are different from animals and computers because of SQ. Animals can have EQ and computers can have IQ but they won't have SQ. SQ is all about holistic approach to life: the wholesomeness, self-awareness, compassion, creativity, ability to think, ability to reason out etc.; all of this together. SI equips us to look at and solve the problems of meaning and value and then we begin to direct our thoughts, actions and so, our lives towards wider and meaningful horizons. With SI or SQ, we can distinguish more clearly the right from the wrong. It empowers us to compare various life paths.

SQ is the foundation on which should lie our IQ and EQ. Three Psychological Processes that are associated with a human being are:

- Primary process EQ: based on associative neural wiring in the brain.
- Secondary process IQ: based on serial neural wiring in the brain.
- Tertiary process SQ: based on third neural system in the brain, the synchronous neural oscillations that unify and integrate the data across the brain. The process facilitates interactions between emotions and logic.

There is no correlation that religious people have to have high SQ or non-religious people have to have low SQ. While conventional religion is set of beliefs, rules and guidelines imposed from external environment, SI (SQ) is the intelligence that rests internally and if used, provides us that wisdom which is beyond any ego and which recognizes the existing values and empowers us with creativity to discover even new values.

3 Practical Ways to Enhance your SQ

1) Use Spiritual Intelligence to overcome fears: Spiritual Quotient (SQ) offers a viable tertiary brain process for synchronous neural oscillations that unify data across the whole brain, which unifies, integrates and has the potential to transform material arising from the two other processes: reason and emotion. Spiritual intelligence facilitates dialog between mind and body, between reason and emotion. “If we know how to rely on our SQ we shall become less fearful, more accustomed to relying on ourselves, more willing to face the difficult and the uncomfortable, and more ready to live at the edge. That is, at the boundary of chaos and order, between the known and the unknown, between creativity and self-organization---the frontier for information creation.

2) Transformation towards more knowledge: We use Spiritual Quotient to battle with questions of good and evil and to envision unrealized possibilities---to dream, to aspire, to raise ourselves. The concept of change comes from the basic nature of Yin and Yang, which are always changing into each other only Change agents manage transformations. When Yin holds sway too long it “grows old” and renews itself by changing into Yang, and vice versa. The central theme is that all things run their life cycle, and no situation remains immutably. It offers hope in despair, and warns of destruction at the height of success which is the philosophy of Yin/Yang and changes per se.

3) Explore Seventh & Eighth Senses: In addition to our five senses--hearing, seeing, tasting, touching, smelling—with which we experience the world directly, labeling the inputs of the world of our five senses [bird, song, music, soft, salty, etc.] is the "sixth sense." Once aware of the sixth sense, we believe there is something within us, some self, which causes this labeling, some "I" which is the seventh sense. In order to become free, in order to understand our true self, according to Buddha, we need to develop an eighth sense, which allows us to realize the illusory nature of labels and intellectual analysis of the sixth sense, and the concept of "I" of the seventh sense.

Conclusion:

According to this theory, IQ still matters. It measures our logical/mathematical/linguistic abilities and is a fairly reliable predictor of how well we'll do in school and the job market. But it's not necessarily the only intelligence that counts. However, indeed, in many ways, our Emotional & Spiritual Quotient is shaping up to be more important than even our Intelligence Quotient. Our devoutness to God appears to be a fairly reliable predictor of how well we'll do not just in school or the job market, but in life as a whole, which ultimately is what matters most. Scientists are also discovering evidence of how harmful a relatively low SQ can be to your health. One recent study looked at individuals whose idea of being successful means having the biggest house on the block or newest luxury car. The consequences of this secular view of life are devastating, explains Ohio State University psychologist Robert Arkin: "The cycle of materialistic pursuits is disappointing and exhausting in the long run and can make people perpetually unhappy."

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Study of Training programme : Case Study of Force Motors Ltd., Pune

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ABSTRACT

Training is a one of the important function of Human Resource Management to develop the abilities of the employees to satisfy current and future needs of the organization. It is not a cost but an investment for creation of assets for the organization. Training helps to achieve effective performance in a job role as well as improve the production / profit of the organization. Training is also beneficial for sound management. The present case is pertaining to the Study of training programme: Case Study of Force Motors Ltd., Pune. In the case study, attempt is been made to study various types of training programmes conducted for the employees at managerial, supervisory and worker level. The Training Need Identification process was studied and depending upon the TNI how the training programmes were imparted accordingly. The different types of Training programmes like Behavioral, Technical, Functional and Statutory were studied.

Key words: Training, Training programme, Training Need Identification

Introduction:

Training is the process of increasing the knowledge and skill for doing a particular job. It is an organized procedure by which people learn knowledge and skill for a definite purpose. The purpose of training is basically to bridge the gap between job requirement and present competency of an employee. The major difference between training and development therefore is that while training focuses often on the current employee needs or competency gaps, development concerns itself with preparing people for future assignments and responsibilities.It is said that without theory, practice is blind and without practice theory is meaningless. Hence, practical training has been made integral part of the education in India. The project training programmers are designed to give a manager the future of the corporate happenings and work culture. Force Motors is an Indian manufacturer of three-wheelers, multi-utility and cross country vehicles, light commercial vehicles, tractors, buses, car and now heavy commercial vehicles.

The research study mainly focuses as under the following:

i) Training process
ii) Training Need Identification
iii) Types of Training programmes

Importance of training:

1. Training is a process of learning a sequence of programmed behavior.
2. It improves the employee's performance on the current job and prepares them for an intended job.
3. Employees are able to balance their work life and personal life in a better manner which leads to reduction of stress.
4. Training programs help in improving physical and psychological health of the employees, thereby bringing down the absenteeism rate.
5. Develop the employee morale, increase the productivity, job satisfaction and commitment of the employees towards the organizational goals.

6. Improve the communication between all levels of management which helps in minimizing conflicts between different levels of employees.
7. Lead to effective negotiation and enable the designing of the contracts which satisfy all sorts of employees.
8. Enhance efficiency of management and strengthen employee organization.
9. Improve the leadership, problem solving, interpersonal and conflict resolution skills of the employees.
10. Sharpening and utilization of the employees' creative and innovative skills.

Objective of the study:

a) To study the Training process at Force Motors Limited, Training Need Identification process.
b) To study types of Training programmes conducted at Force Motors Limited

Research Methodology:

The research was conducted through personal interview of HR - Training Manger and observation method. Other theoretical data was collected with the help of training manual of the company, books and online resources.

Literature Review:

According to the Michel Armstrong (Source: A Handbook of Human Resource Management Practice, Kogan Page, 8thEd.,2001) , "Training is systematic development of the knowledge, skills and attitudes required by an individual to perform adequately a given task or job".

According to the Edwin B Flippo (Source: Personnel Management, McGraw Hill; 6thEdition, 1984) , "Training is the act of increasing knowledge and skills of an employee for doing a particular job."

The term 'training' indicates the process involved in improving the aptitudes, skills and abilities of the employees to perform specific jobs. Training helps in updating old talents and developing new ones. 'Successful candidates placed on the jobs need training to perform their duties effectively'.

Cary Cherniss et. al. In the year (2010) has done their research in the topic "PROCESS – DESIGNED TRAINING: A NEW APPROACH FOR HELPING LEADERS DEVELOP EMOTIONAL AND SOCIAL COMPETENCE" and they have evaluated the effectiveness of a leadership development program based on International Organization for Standardization (ISO) principles. The program utilized process-designed training groups to help participants develop emotional and social competence. The study involved 162 mangers from nine different companies in a random assignment control group design. There were nine different groups with nine managers in each group. Each group was required to follow the identical process. His results indicated that after two years the intervention group had improved more than the controls on all Emotional Competence Inventory variables. The paper offers recommendations for future research on the mechanisms underlying the process-designed group strategy and contextual factors that optimize results. This paper describes a leadership development strategy that appears to be more economical and consistent in its delivery than traditional approaches such as workshops or executive coaching. Although ISO principles are utilized widely in the business world; this is the first study that has used this approach in the design and delivery of management development.

Case Study:

Introduction of the company:

Late Shri N.K.Firodia, a dedicated Gandhian and Visionary Industrialist, was the Founder-Managing Director of Force Motors. Having participated in the freedom struggle for India in 1932 and 1942 he was determined to achieve Industrial modernization for India. He established, starting in 1950, in Collaboration with Vidal & Sohn, Hamburg, Germany the import and later progressive manufacture in India of the Tempo 3-Wheeler. To further modernize its LCV product range, the Company took up the production of the TRAVELLER, under licence from Daimler-Benz. A new

Plant was set up in 1987, on a greenfield site in Central India at Pithampur in Madhya Pradesh. This modern facility was developed in close co-operation with Daimler-Benz. The plant is equipped with a modern conveyorised body welding and Electrophoretic dip painting shop. The Plant has been expanded to house a new Press Shop in 1997.

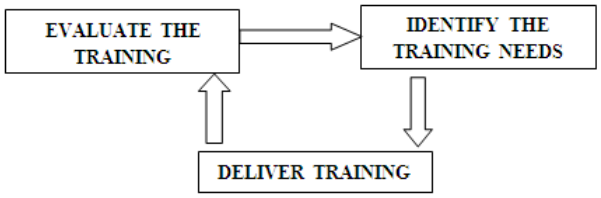
Training Philosophy

"To believe in promote & maintain learning culture
To consider Training not as cost but as an investment"

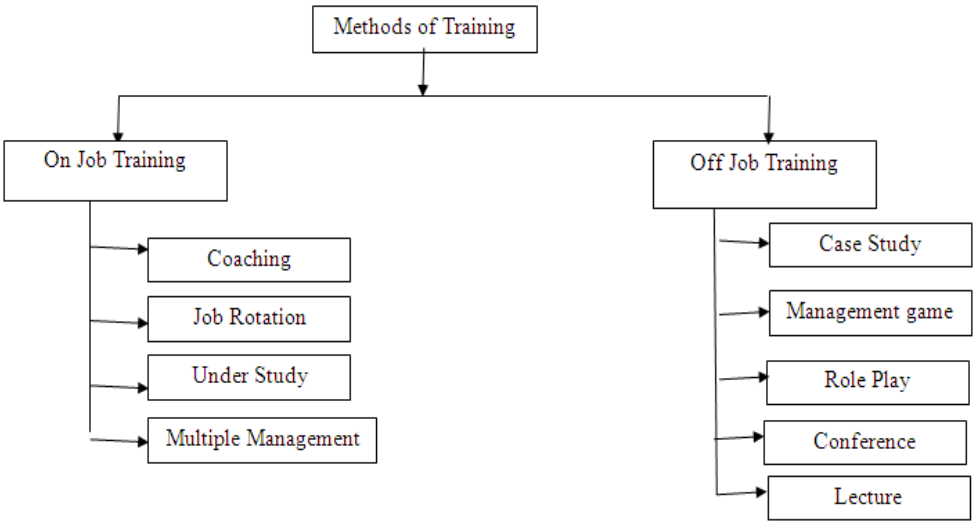
Training Policy:

To continuously upgrade the skill, knowledge, & efficiency of our employee's dealers & vendor's continuous training & contracting interaction.

THE TRAINING CYCLE - Force Motors Limited



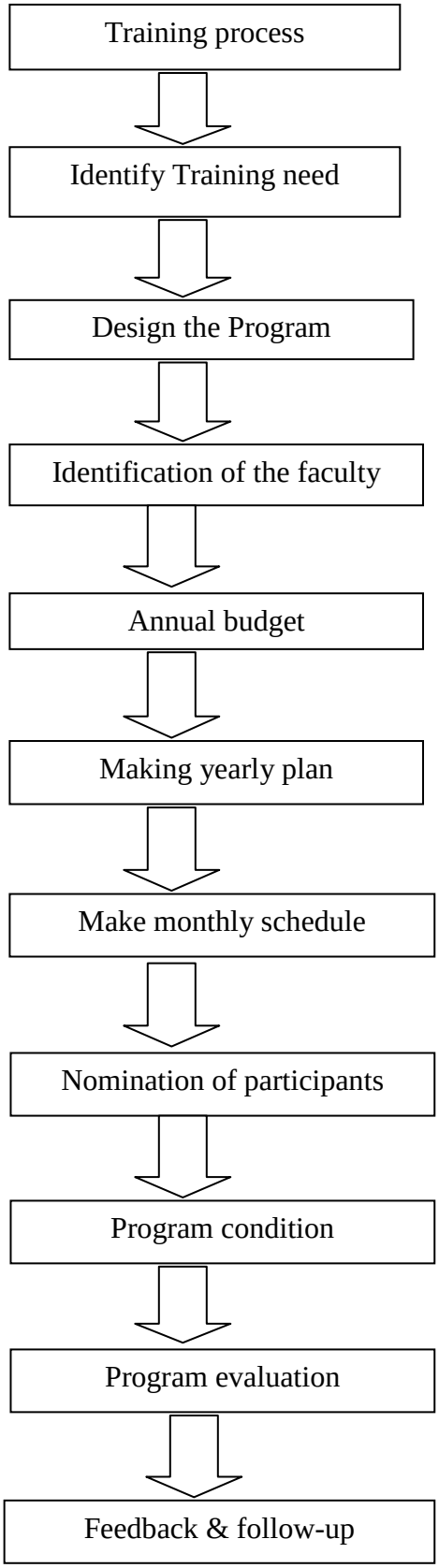
Methods of Training:-



Process of Training of Force Motors Ltd., Akurdi, Pune:-

Study of Training process was done where the first step the HR-Training & Development has to conduct is TNI process for every financial year where Training requirement needs are submitted by each department for each employee and updated in the system. If there is any new need then accordingly the Training programme is been designed, Identification of faculty is done may be internal faculty or external faculty. After that the information is filled in the Training system of the company. Employee counts for each training programme is been taken, Training programme to be conducted whole year is calculated by 20 employees for each training programme accordingly the budget is prepared for the financial year. Nominations for participants / employees are sending randomly with the help of training system. Evaluation of training programme is done after the feedback of Training programme.Upgradation of Training Programme is done accordingly.

Process of Training of Force Motors Ltd., Akurdi, Pune:-



Training Need Identification process for FORCE MOTORS LTD :

Training need identification is a tool utilized to identify what educational courses or activities should be provided to employees to improve their work productivity. Here the focus should be placed on needs as opposed to desires of the employees for a constructive outcome. In order to emphasize the importance of training need identification we can focus on the following areas:

1. To pinpoint if training will make a difference in productivity and the bottom line.
2. To decide what specific training each employee needs and what will improve his or her job performance.
3. To differentiate between the need for training and organizational issues and bring about a match between individual aspirations and organizational goals.
4. Identification of training needs (ITN), if done properly, provides the basis on which all other training activities can be considered. Also requiring careful thought and analysis, it is a process that needs to be carried out with sensitivity as people's learning is important to them, and the reputation of the organization is also at stake.
5. Identification of training needs is important from both the organizational point of view as well as from an individual's point of view.
6. From an organization's point of view it is important because an organization has objectives that it wants to achieve for the benefit of all stakeholders or members, including owners, employees, customers, suppliers, and neighbours. These objectives can be achieved only through harnessing the abilities of its people, releasing potential and maximizing opportunities for development. Therefore people must know what they need to learn in order to achieve organizational goals. Similarly if seen from an individual's point of view, people have aspirations, they want to develop and in order to learn and use new abilities, and people need appropriate opportunities, resources, and conditions. Therefore, to meet people's aspirations, the organization must provide effective and attractive learning resources and conditions.

TYPES OF TRAINING PROGRAMS WHICH ARE CONDUCTED FOR THE EMPLOYEES:

Classification of training programmes in force motors ltd are as follows:

A. FUNCTIONAL
B. TECHNICAL
C. BEHAVIORAL
D. STATUTORY

TECHNICAL & FUNCTIONAL TRAINING CONDUCTED FOR EMPLOYEES IN THE ORGANIZATION ARE AS FOLLOWS:

A. Functional Training / Production Training:

Such types of Training programmes are imparted to Trainees, Workers, Supervisors and Managerial Levels. Production Training is important aspect for all employees giving function wise training who are working for production departments whether they are working on shop floors or whether they are maintaining records for production department. It is helpful for minimizing the errors in production. The Technical information that is added in their knowledge.

Specialized faculties are selected. Basically, Internal Faculties i.e. the employee who is working in the company and who has rich experience in this field of Training and have specialized External Training from outside .And regarding internal faculties are always available for the employees.

B. **Technical Training:** It is important aspect for all employees who are working for production departments whether they are working on shop floors or whether they are maintaining records for

production department. It is helpful for minimizing the errors in production. The Technical information that is added in their knowledge.

Specialized faculties are selected. Basically, Internal Faculties i.e. the employee who is working in the company and who has rich experience in this field of Training and have specialized External Training from outside .And regarding internal faculties are always available for the employees.

1. CNC Training
2. Core Tools of Problem Solving
3. Electrical Safety
4. Kaizen
5. MSA
6. TPM
7. Seven Tools of problem solving
8. Electrical for Non electrical
9. Lean Manufacturing
10. Quality Circle
11. 5 s Principal
12. Cutting Tool Advance
13. Engine & Gear Technology
14. 1s of 5s Principal
15. Shop Floor Management
16. Jigs & fixture
17. Metallurgy & Heat Treatment

Maintenance Training:

1 Advanced plc Programming
2 Electrical & Electronic Automation
3 Hydraulics & pneumatic Tools

QUALITY Training:

1 MSA
2 TS-Awareness
3 SPC
4 PFMEA
5 PPAP
6 APQP

MATERIAL Training

1 Product & Process Cost mgmt.
2 Managing with cost reduction
3 Supply Chain Management
4 Inventory Management
5 SAP

BEHAVIOURAL TRAINING CONDUCTED FOR EMPLOYEES IN THE ORGANIZATION ARE AS FOLLOWS:

C. BEHAVIORAL TRAINING:

Trainees, Workers, Supervisors and Managerial Levels

1. Applied 7 Habits

2. Assertiveness & interpersonal Relationship
3. Building Interpersonal Relationship
4. Communication & Presentation Skill
5. Conflict Resolutions
6. Corporate Grooming
7. Fun & Joy at work
8. Health & stress management
9. Honing Communication Skill
10. Self esteem key to Success
11. Super Habits of Dasbodh
12. Supervisory developments
13. Team Building & Leadership
14. Work life Balance
15. Written communication skills

TRAINING PROGRAMME WHICH ARE STATUTORY IN THE ORGANIZATION FOR EACH AND EVERY EMPLOYEE:

D. STATUTORY TRAINING

Compulsary Training programmes to be undergone by each employee and worker of the company conducted by the Safety and Health Department of the company.

1 First Aid & Health

2 Safety & Fire Fighting

Observations:

1. Members of organization should be trained regularly to keep pace with rapid changes in knowledge, skills, & technology
2. Various types of training has been given to the different categories of the employees
3. Targeted mandays for each employee is 8 mandays where one manday consist of 8 hrs. that means minimum 64 hrs training imparted to each employee.
4. Training time can be extended according to the work conditions.
5. The training Need Identification processes take place for each financial year.
6. Approximate budget for training programme consist of Rs. 30 Lakhs which includes external as well as internal training for per annum.
7. Government also provides financial support in the for m of training subsidy to the organization.
8. The training Need Identification has been done, by giving the TNI form to the head of department or the managers. They identify the training requirements for the employees
9. Given training is evaluated by the Feedback form. Employees give remark through Feedback form after the training program. accordingly training is evaluated
10. Training need identification is a tool utilized to identify what educational courses or activities should be provided to employees to improve their work productivity

CONCLUSION:

Training and development programs play a vital role in every organization. These programs improve Employee Performance at workplace, it updates Employee Knowledge and enhances their personal Skills and it helps in avoiding Managerial Obsolescence. With the use of these programs, it is easier for the management to evaluate the job performance and accordingly take decisions like employee Promotion, rewards, compensations, welfare facilities, etc. These training programs also help the managers in succession planning, employee retention and motivation. It creates Efficient and

Effective employees in the Organization. Participants were particularly positive about the training & motivation technique. The training program satisfies the employees.

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Challenges and Problems Faced By Women Workers in India

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ABSTRACT

India is a traditional country and there is diversity in religions, culture and customs. Role of the women in India mostly is household and limited to domestic issues. In some cases women can find employment as nurses, doctors, teachers the caring and nurturing sectors. But even if well qualified women engineers or managers or geologists are available, preference will be given to a male of equal qualification.

The present study investigated to identify the factors preventing women employees from aspiring for higher post and challenges & problems faced by women workers. Further the study try to explain the real condition of Indian working women and also make an effort to clear main problems of working women.

Keywords: challenges, problems, traditional, women workers

INTRODUCTION

In the history of human development, women have been as vital in the history making as men have been. In fact higher status for women vis-à-vis employment and work performed by them in a society is a significant indicator of a nation's overall progress. There are many reasons and problems that forced Indian's women to work. The financial demands on the Indian families are increasing day by day. Cost of living, expenses on education of children, and cost of housing properties in India raised and these reason force every family in India to look for ways and means of increasing the household income. As a result, women in India who were mostly known as homemakers are forced to go for jobs and take up even careers that were considered only suitable for men such as working in night shifts.

Working women i.e., those who are in paid employment, face problems at the workplace just by virtue of their being women. Social attitude to the role of women lags much behind the law. The attitude which considers women fit for certain jobs and not others, causes prejudice in those who recruit employees. Thus women find employment easily as nurses, doctors, teachers, secretaries or on the assembly line. Even when well qualified women are available, preference is given to a male candidate of equal qualifications. A gender bias creates an obstacle at the recruitment stage itself. When it comes to remuneration, though the law proclaims equality, it is not always practiced. The inbuilt conviction that women are incapable of handling arduous jobs and are less efficient than men influences the payment of unequal salaries and wages for the same job. But in most families her salary is handed over to the father, husband or in-laws. So the basic motive for seeking employment in order to gain economic independence is nullified in many women's case. Problems of gender bias beset women in the industrial sector when technological advancement results in retrenchment of employees.

Women workers in India are faced with lot more challenges than their counterparts in the other countries. Besides of so many efforts from past years, female section of society is deprived in compared to male section. They are not given first priority in social and economic decisions in her own family. According to United Nations Development Programmer (UNDP) report, women are

involved in doing 67% work of world; still they are socially and economically deprived. They are receiving only 10% of the universal income and have 1% part in global assets. This discrimination also persists in their work place in unorganized sector. In informal sector, women workers don't get same wages for same nature of work for same hours done by men. They are exploited at workplace. They are some acts i.e. The Unorganized Workers Social Security Act, 2008, Domestic Workers Welfare and Social Security Act, 2010 etc. but due to their improper implementation, women workers are forced to work and live in miserable conditions in unorganized sector.

In India mostly it is women who have to do household as cook, clean the house, do the dishes, wash clothes, care of children and men do not share on most of the household works. Men do that work that is to be dealt outside the house. Now a day there is increasing need for getting some income for the family then women have to work harder. Women workers have to handle Persecution's at their work place, sometimes just over look things to ensure that their job is not jeopardized in anyway. Many Indian families are still living as joint families along with the parents and in-laws. This adds to their stress further because they have to please all the family members of her husband. Listen to their complaints that they make against her and turn deaf ears towards them and so on. Overall, majority of women in India look towards or live in the hope that things will change.

Employment Trends for Women in India

The increase in the number of women in the labor market signifies an important trend regarding women's employment. This has been occurring alongside increases in labor force and workforce, especially for urban women, although rural women workers predominate in terms of participation rates and overall magnitude. The increasing share of women's participation in the labor force and its significant contribution to household income as well as GDP require some policy attention be paid to the gender dimensions of employment. The eleventh Five Year Plan document for the first time in the history of Indian planning recognizes women not only as equal citizens but as 'agents of sustained socio-economic growth and change' (GOI, 2008, p. 5). A multi-pronged approach is emphasized to address issues concerning women workers, such as provision of basic entitlements and strengthening of institutional mechanisms.

The increase in the growth of employment appears to be much higher for female workers compared to male workers. Even where the proportion of working women as reflected in the female work participation rate may be low, the absolute numbers have significantly increased, given the rate of population growth over time. The increase in work opportunities during the early years of the new millennium has been to the tune of 9.3 million jobs per annum (from 1999-2000 to 2004-05). This acceleration in employment growth from 1.25 per cent per annum (1993-94 to 1999-2000) to 2.62 per cent per annum in the period 1999-2000 to 2004-05 (GOI, 2008) has been beneficial to women's participation as well. Of the 46 million job opportunities created from 1999-2000 to 2004-05 (compared to 24 million in the earlier period, i.e., 1993-94 to 1999-2000), nearly 15 million women joined the workforce. Urban areas almost doubled their number of women workers, while in rural areas women workers increased from 9 to 12 million. Are these signs of a gradual but definite wind of change with more women entering the labour market? This positive change is noted more forcefully in the urban context where requisite educational inputs and modern thinking vis-à-vis women's work is increasingly becoming noticeable. Rural agriculture is increasingly drawing women's labour supplies, with over four-fifths of the women in rural areas working in agriculture. This gains significance amidst the declining share of male workers (from 74 per cent in 1993-94 to 66 per cent in 2004-05). Thus it seems that women in rural areas are finding it harder to shift away from agriculture. Involvement of women in agriculture is largely as cultivators/farmers as well as agricultural laborers. However, there has been a slight decline in the share of women as agricultural laborers, while their share among cultivators has increased. In urban areas, women have achieved substantially higher growth of employment in manufacturing and have been able to increase their share, especially after 1999-2000 (from 24 per cent to over 28 per cent in 2004-05). Thus, in urban areas, the share of female workers in manufacturing has increased substantially while that of male workers has not. Even in the services sector, women have gained in terms of employment, especially in the domestic and personal

services category.

India's economy has undergone a substantial transformation since the country's independence in 1947. Agriculture now accounts for only one-third of the gross domestic product (GDP), down from 59 percent in 1950, and a wide range of modern industries and support services now exist. In spite of these changes, agriculture continues to dominate employment, employing two-thirds of all workers. India faced economic problems in the late 1980s and early 1990s that were exacerbated by the Persian Gulf Crisis. Starting in 1992, India began to implement trade liberalization measures. The economy has grown-the GDP growth rate ranged between 5 and 7 percent annually over the period and considerable progress has been made in loosening government regulations, particularly restrictions on private businesses. Different sectors of economy have different experiences about the impact of the reforms. In a country like India, productive employment is central to poverty reduction strategy and to bring about economic equality in the society. But the results of unfettered operation of market forces are not always equitable, especially in India, where some groups are likely to be subjected to disadvantage as a result of globalization. Women constitute one such vulnerable group.

Since globalization is introducing technological inputs, women are being marginalized in economic activities, men traditionally being offered new scopes of learning and training. Consequently, female workers are joining the informal sector or casual labor force more than ever before. For instance, while new rice technology has given rise to higher use of female labor, the increased work-load for women is in operations that are unrecorded, and often unpaid, since these fall within the category of home production activities. The weaker sections, especially the women, are denied the physical care they deserve. There is, thus, hardly any ability for the majority of Indian women to do valuable functioning; the "capability" to choose from alternatives is conspicuous by absence.

Most women in India work and contribute to the economy in one form or another, much of their work is not documented or accounted for in official statistics. Women plow fields and harvest crops while working on farms, women weave and make handicrafts while working in household industries, women sell food and gather wood while working in the informal sector. Additionally, women are traditionally responsible for the daily household chores (e.g., cooking, fetching water, and looking after children). Although the cultural restrictions women face are changing, women are still not as free as men to participate in the formal economy. In the past, cultural restrictions were the primary impediments to female employment now however; the shortage of jobs throughout the country contributes to low female employment as well. The Indian census divides workers into two categories: "main" and "marginal" workers. Main workers include people who worked for 6 months or more during the year, while marginal workers include those who worked for a shorter period. Many of these workers are agricultural laborers. Unpaid farm and family enterprise workers are supposed to be included in either the main worker or marginal worker category, as appropriate. Women account for a small proportion of the formal Indian labor force, even though the number of female main workers has grown faster in recent years than that of their male counterparts.

REVIEW OF LITERATURE

The literature review shows that more focus is on married working women than on unmarried working women (Karl, 2009). It is also seen that focus is more on organized sector rather than unorganized sector of working women (Shalz, 2011). Eggins (1997) advocates for more facilities to women in the workplace, suggesting that "…it is an important part of developmental strategy as well as an act of social justice" The World Bank (1991) estimates that Indian Women make up one-third of the labor force. Singhal (1995) is of the opinion that, "Participation of women in workforce is essential for economic development and population planning."

Somjee (1989) has some very strong critical comments. She has said that "in the history of women's studies, which is not very long, a variety of approaches have been adopted in order to understand women's problems and find solutions to them. such approaches range from how women are perceived in various cultures and historical settings, given their biological functions and what nature 'intended' them to do, to their decline in power and status vis-à-vis men in thecomplex social

evolution, to a widely shared emphasis on the need to make women equal through the economic on the need to make women equal through the economic and legal route which treats them as individuals rather than those having the sole responsibility for looking after the family."

Mitra (1997) analyses the causes and comes to some important conclusions: "Relationship between women and professions could be perceived as one of women in full-fledged professions, medicine, law, academics, etc and another in the semi-professions-like nursing, teaching, clerks etc." Okolo (1989) studied that another obstacle is the lack of role models of executive women due to their scarce presence in top managerial positions. Likewise, this study found out that there 18 is no gender difference in organizational hierarchies when a woman has already gained access to them. "The lack of impact in women can occur because executive and managerial women have developed survival features becoming immune to the effects of men's hierarchies. A hierarchy composed by men solely may have an effect upon the election of a managerial board, and then its further influence is not very strong."

Ronald J. Burke, Mustafa Koyuncu and Lisa Fiksenbaum (2010) examined the relationship of the perceived presence of organizational practices designed to support women's career advancement and their work attitudes and satisfaction and their psychological well-being. Data were collected from 286 women in managerial and professional jobs working in a large Turkish bank, a 72 percent response rate. Five organizational experiences were considered: negative attitudes towards women, equal treatment, support, career barriers and male standards. Women reporting more supportive organizational experiences and practices were more engaged in their work, more job and career satisfied, and indicated greater levels of psychological well-being."

Wentling (2003) showed that the twin roles of women cause tension and conflict due to her social structure which is still more dominant. In her study on working women in Delhi, she has shown that "traditional authoritarian set up of Hindu social structure continues to be the same basically and hence women face problem of role conflict change in attitudes of men and women according to the situation can help to overcome their problem."

Sophia J. Ali (2011) "investigated the challenges facing women in career development. She found that most of the women employees were dissatisfied with career development programmers and women were discriminated against in career development opportunities. The study recommended that organizations should strive to ensure that career development programmers were set to enhance career development among-st women employees. Top management should also be committed to the career development of women, and organizations should also introduce affirmative action to urgently address career development of women."

OBJECTIVE OF THE STUDY

1. To identify the factors preventing women employees from aspiring for higher post and challenges & problems faced by women workers.
2. To clear main problems of working women

INDIA'S FEMALE POPULATION

At the 2001 census, India had a female population of 496million. India accounts 15% of World's women characterized by vast regional differences and a variety of cultures. But, social discrimination and economic deprivation on the basis of gender is common to all, irrespective of religion, cast, community, and State.

Empowerment of women, gender discrimination, and violence against women, which have become serious subjects of sociological research in contemporary times, was hitherto neglected. While contemporary social changes have exposed women to unprotected socio-economic, cultural and political environment, there are no corresponding protective social systems and institutions of social justice to safeguard their interests. There are many who are skeptical about women's ability to exercise equal rights with men and about their capacity to play equal role with men. But such apprehensions are ill-founded in the context of the broader opportunities available for women

following mechanization of industry and agriculture, enabling women to compete with men successfully.

Innovations in science and technology have removed the disparity between men and women attributed to physical strength alone. Women are able to handle modern appliances which require intelligence and training and not merely physical strength. Thus, India has now several women working as pilots, driving locomotives, buses, tractors and machinery in workshops. Sex as maternal factor in the area of legal rights has practically disappeared. It is not therefore fair to relegate women as a group to an inferior position in society. The Constitution does not regard sex as a permitted classification and prohibits sex as a basis of differential treatment in all areas of legal rights.Modernity has resulted in a growing flexibility and changes in the gender roles of men and women. The earlier conception that man was the provider of basic necessities for family and women the child bearer and care taker of home, is no longer valid in the changing social structure and economic compulsions.

Therefore, any attempt to assess the status and problem of women in a society should start from the social framework. Social structure, cultural norms, and value systems are crucial determinants of women's role and their position in society. In respect of the status there is a gap between the theoretical possibilities and their actual realization.

PROBLEMS FACED BY WORKING WOMEN IN INDIA:

Occupational problems as stress:

In women Occupational stress is stress involving work. Work and family are the two most important aspects in women's lives. Balancing work and family roles has become a key personal and family issue for many societies. There are many facets in working mother's lives that subject to stresses. They deal with home and family issues as well as job stress on a daily basis.

World Health Organization's (WHO) definition

Occupational or work-related stress "is the response people may have when presented with work demands and pressures that are not matched to their knowledge and abilities and which challenge their ability to cope."

Reasons of occupational stress

Imbalance between work and family leads to occupational stress. Imbalance between work and family life arises due to a number of factors. Various factors are following.

1. Mental harassment

It is an age old convention that women are less capable and inefficient in working as compared to men. The attitude which considers women unfit for certain jobs holds back women. In spite of the constitutional provisions, gender bias creates obstacles in their recruitment. In addition to this, the same attitude governs injustice of unequal salaries for the same job. The true equality has not been achieved even after 61 years of independence. Working in such conditions inevitably puts strain on women to greater extent as compared to men, thus making them less eager in their career.

2. Sexual harassment:

Today, almost all working women are prone to sexual harassment irrespective of their status, personal characteristics and the types of their employment. They face sexual harassment on way on transports, at working places, educational institutions and hospitals, at home and even in police stations when they go to file complaints. It is shocking that the law protectors are violating and outraging modesty of women. Most of the women tend to be concentrated in the poor service jobs whereas men are in an immediate supervisory position, which gives them an opportunity to exploit their subordinate women.

3. Discrimination at Workplace:

However, Indian women still face blatant discrimination at their workplaces. They are often deprived of promotions and growth opportunities at work places but this doesn't apply to all working

women. A majority of working women continue to be denied their right to equal pay, under the Equal Remuneration Act, 1976 and are underpaid in comparison to their male colleagues. This is usually the case in factories and labor-oriented industries.

4. No Safety of Working Women While Traveling

Typically, the orthodox mindset in the Indian society makes it difficult for a working woman to balance her domestic environment with the professional life. In some families, it may not be acceptable to work after six o'clock. Those families that do accept these working hours may experience considerable anxiety every day about a woman's safety while traveling. So many issues affect a working woman because she is closely protected or watched by her family and the society.

5. Lack of Family Support

Lack of proper family support is another issue that working women suffers from. At times, the family doesn't support women to leave the household work and go to office. They also resist for women working till late in office which also hampers the performance of the women and this also affects their promotion.

6. Insufficient Maternity Leaves

Insufficient maternity leave is another major issue that is faced by a working mother. This not only affects the performance of women employees at work, but is also detrimental to their personal lives.

7. Job insecurity

Unrealistic expectations, especially in the time of corporate reorganizations, which sometimes puts unhealthy and unreasonable unreasonable pressures on the employee, can be a tremendous source of stress and suffering. Increased workload extremely long work hours and intense pressures to perform at peak levels all the time for the same pay, can actually leave an employee physically and emotionally drained. Excessive travel and too much time away from family also contribute to an employee's stressors.

8. Workplace Adjustment

Adjusting to the workplace culture, whether in a new company or not, can be intensely stressful. Making oneself adapt to the various aspects of workplace culture such as communication patterns of the boss as well as the co-workers, can be lesson of life. Maladjustments to workplace cultures may lead to subtle conflicts with colleagues or even with superiors. In many cases office politics or gossips can be major stress inducers.

9. Other reasons

it include Personal demographics like age, level of education, marital status, number of children, personal income and number of jobs currently had where you work for pay and Work situation characteristics like job tenure, size of employing organization, hours worked per week.

CONCLUSION:

Now a day's women workers are improved and promote in their workplace and in technological work. Trade Union should try to improve the conditions for woman's workers in many parts for example maternity leave is easily give to women and help the woman for achieve higher post actually women's nature is promotion to gain high quality in every field but if the condition is not ready then the reduction of promotion and optimization in work will be occur and etc...

Women workers are often subject to sexual harassment then the Government should put strict rules for these types of crimes , also public transport system sometimes danger for woman and Government should put more Inspection. Traditionally people think that men should only work and gain money and women should work as house hold, but The financial demands on the Indian families

are increasing that's why women also should company in gaining income for families. Therefore a fundamental change is required in attitudes of employees, family members and public.

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"Talent Management for Sustainable Development"

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ABSTRACT

In a rapidly changing environment, human resources are one of the important sources of the organizational development which also helps to take competitive advantage. Human resource system contributes towards the sustainable development through facilitating the change & by developing the competencies of the employees. Talent Management is the key for improved business performance & for the sustainable development of an organization. The linkage between talent management and sustainable development will help to attain higher organizational performance. Many studies have been conducted regarding how companies can gain a sustainable competitive advantage through their human resources & proper talent management. Having talented employees helps the firms drive and compete for organizational success. Talent management is of strategic importance & by developing the talent, organizations may develop strong leadership teams which will help to take competitive advantage and that will enable the organization to achieve its goals & organizational success.

KEY WORDS: Talent Management, Human Resources, Sustainable Development, Competitive Advantage

INTRODUCTION:

For organizations to develop competitive advantage through HR processes is very important. In current economic conditions, many companies have felt the need to cut expenses. This should be the ideal environment to execute a talent management system as a means of optimizing the performance of each employee and the organization. Talented employees & their efficiency will be the most valuable asset for every organization. Talented workers are the key source of competitive advantage & sustainable growth for the today's organization. Today, talented workers account for major chunk of the workforce in developed nations. Talented workers will do things spectacularly, if only they are managed well. Human resource manager have to understand their needs & expectations and deliver the same. The Human resource manager should manage them effectively and efficiently and retained them for the future growth of an organization. Talent consists of those individuals who can make a difference to organizational performance, either through their immediate contribution or in the longer-term by demonstrating the highest levels of potential. Talent in brief, is the sum total of abilities, skills & knowledge. Talented employees possess knowledge & innovative skills, creativity & positive aptitude.

Organizations which wish to attract the best of talents and retain employees across all levels must have an integrated approach to talent management. According to latest survey findings from Accenture High Performance Report, about 85% senior executives view talent management as a major competitive differentiator for attracting and retaining skilled workforce and developing the highly talented leaders. Many Indian organizations have realized that it is the quality of people which they employ, retain and develop will ensure their business profitability and provide them a competitive advantage. Talent management is concerned with delivering business success by understanding what an organization actually means by talent and how it can achieve the long term

organizational goals. It aims at ensuring that the organizations value natural talents and understand the obstructions to an effective performance.

Talent Management:

Today, Talent management of the most desirable employees is a key challenge in organizations. Talent management refers to the process of developing and integrating new workers, developing and retaining current workers and attracting highly skilled workers to work for a company. The process of attracting and retaining the profitable employees, as it is increasingly more competitive between firms and of strategic importance has come to be known as "the war for talent."

Talent management is the systematic attraction, identification, development, engagement/ retention and deployment of those individuals who are of particular value to an organization, either in view of their 'high potential' for the future or because they are fulfilling critical roles in the organizations.

Derek Stockley "Talent Management involves individual and organisational development in response to a changing and complex operating environment. It includes the creation and maintenance of a supportive, people oriented organisational culture."

***"Nothing is as important as Identifying, Training and Holding onto talented people"* – Jack Welch**

Talent management includes a series of integrated systems of,

- recruiting,
- performance management,
- maximizing employee potential, managing their strengths and developing,
- retaining people with desired skills and aptitude

SIGNIFICANCE OF TALENT MANAGEMENT:

The Talent Management is the need of the hour for the organizations. Since ages we have been listening to the corporate leaders suggesting that Human capital is their greatest asset. This statement has to be backed by effective actions towards developing the assets i.e. Human Force. The significance of the Talent Management may be understood with the fact that no other resource has gone through such revolutionary changes and transformations as the Human Resource in the recent past. A sudden rise in the prominence and centrality of the HR functions in organizations is a result of such far reaching changes in relation to Human Capital. The diversity in the Job Profile and purview of the workforce is experiencing progressive change on regular intervals. Hence the HR professionals are expected to perform beyond the obvious i.e. not just identifying & attracting the relevant talent but they are also expected to nurture, groom and retain the employees so as to achieve the organizational objectives. The war of talent may be tackled with this approach of being the best in every eternal process associated with the Human Resource. Talent Management has become a vital preposition in the essence of an organization. The following aspects further highlight the significance of the Talent Management:

1. Reduce Attrition:

Attrition in the organizations today is the real time trouble. To curtail the attrition numerous efforts have been taken in the organizations in the form of retention techniques. One of the major techniques is the employee engagement either on the job or off the job. The employees get acquainted to challenging atmosphere that eventually enhances their potential. Their inherent qualities & skills get a boost leading to effective Talent Management for the organization.

2. To Maintain the Customer Relationship:

The Employees are considered as the face of the organization. A set of well equipped employees in terms of their abilities & potential helps the organization to meet the Public Relation commitments. Talent Management helps in this respect. It emphasizes on the fact that the hidden potential of the

Employees have to nurtured in order to get the best of the performances on the shop floor as well as off the shop floor.

3. Cost Reduction:

HR Management is gradually becoming the centre attracting more of the cost pertaining to recruitment, training, retention, motivation etc. The organization have to suffer when trained employee leaves the organization. The cost reduction is that part of the management aspect where you have the fear of losing hence safeguarding the cost is very essential. The Talent Management aspect assists right from hiring till retention of the Individuals.

4. Sustainable Development:

The highly competitive environment in the Industrial segment today highlights the importance of distinctive strategies. Along with all the resources at the organization, Human resource also needs to be nurtured to achieve the distinctive feature. A business sustains its growth & prosperity when the mind behind the business grows. Organizations today have the art of delegating the job that leads to more of belongingness in the employees. Talent Management supports the organizations for sustainable development.

OBJECTIVES OF THE STUDY:

1. To know the concept of talent management.
2. To understand the importance of talent management for sustainable development.
3. To understand the various talent management strategies adopted by companies.

SCOPE OF THE STUDY:

This research paper covers talent management for sustainable development. It is very necessary to understand the importance of talented employees for the long term success of an organization.

This paper focuses on talent management strategies which are helpful for sustainable development of an organization.

REVIEW OF THE LITERATURE:

Garima Bardia in her Paper Making Talent Count has mentioned that out of the FOUR M's (Money, Machine, Material & Men) only the 4^{th} M i.e., Men that cannot be replicated and can be taken as a lasting weapon of competitive advantage. The Author suggests that with increasing globalization and proliferation of competitors, it is the responsibility of the organizations to make, build and nourish their talent pool that decides their survival in the long run.

Stahl et al's (2007), study of global talent management confirmed that the high performing organizations they studied followed a talent pool strategy - recruiting the best people and then finding positions for them.

Dr. Pranab Kumar Bhattacharya through his article on Talent Management: an Agile Edge over Competition considers that in today's highly competitive global economy, the war for talent has transacted regional & national boundaries and has evidently become global. He is proponent of the fact that in order to enhance organizational efficiency, talented employees must be provided with the liberty for change, challenge and creativity at the Workplace.

Nancy R. Lockwood (2006), he focused that talent management refers to the process of developing & retaining current employees. Now a days the issue with most of the organizations is that they spend huge amount of money & great effort for attracting employees to their company, but spend little time in developing & retaining talent. As a result the ROI is also not attained properly & organizations are facing problems.

RESEARCH METHODOLOGY:

The information required for the study was collected by the researcher through secondary sources:

Secondary data was collected through:

- Books
- Magazines
- Internet
- Journals

TALENT MANAGEMENT STRATEGIES FOR SUSTAINABLE DEVELOPMENT:

It is now proved beyond doubt that, in the era of technology and knowledge, talent is in the driving seat. One who possesses it dictates. Not he who pays for it. It is the demand of the time that business leaders elevate management of talent to a burning corporate priority. It is not a walk in the park for the talent market. Quality people are no longer available in plenty, easily replaceable and relatively inexpensive.

These are some of the measures that should be taken into account to hire and retain talent in the organization, to be efficient and competitive in this highly competitive world:

- **Hire the Right People:**

Proper care must be taken while hiring the people itself. It would be beneficial for an organization to recruit young people and nurture them, than to substitute by hiring from other organizations. Questions to be asked at this stage are: Whether the person has the requisite skills needed for the job? Whether the person's values and goals match with those of organizations? In short, care must be taken to fit the right person to the right job.

- **Keep the Promises:**

Good talent cannot be motivated by fake platitudes, half-truths and broken promises. Unfulfilled expectations can breed dissatisfaction among the employees and make them either leave the organization or work below their productive level. Promises made during the hiring stage must be kept to build loyalty among the employees, so that they are satisfied and work to their fullest capability.

- **Good Working Environment:**

It has to be accepted by the organizations that highly talented persons make their own rules. They have to be provided with a democratic and a stimulating work environment. The organizational rules must be flexible enough to provide them with freedom to carry out their part of task to their liking, as long as the task is achieved. Opportunities should also be provided to the employees to achieve their personal goals.

- **Recognition of Merit:**

It is highly motivating for any person if his talent is recognized and is suitably rewarded. One way is providing them with salary commensurate with their performance. Promotions and incentives based on performance are another way of doing it. Another way is by providing them with challenging projects. This will achieve two objectives - it makes employee feel that he is considered important (a highly motivating factor) and gets the work done in an efficient manner and brings out the best in the employee.

- **Providing Learning Opportunities:**

Employees must be provided with continuous learning opportunities on and off work field through management development programs and distance learning programs.
This will also benefit the organization in the form of highly talented workforce.

- **Shielding from High Work Pressure:**

If an organization has to make the most of the available talent, they should be provided with adequate time to relax, so that they can did-stress themselves. It is very important to provide them with holidays and all-expenses-paid trips, so that they can come back refreshed to work and with

increased energy. They must also be encouraged to pursue their interests which are also a good way of reducing work environment stress. Recreation clubs, entertain programs, fun activities within the work area will also reduce the work life stress of the employees and develop camaraderie among the workers and result in a good working environment.

CONCLUSION:

Talent Management essentially is a key business process which converts a set of inputs into desired outputs. It is aimed to develop team capabilities through nurturing individual capacities. In order to enhance organizational efficiency, talented employees must be provided with the liberty for change, challenge and creativity at the work=place. As organizations continue to pursue high performance and improved results through Talent Management practices, they are taking a holistic approach to talent management from attracting and selecting wisely, to retaining and developing leaders, to placing employees in positions of greatest impact. With rapidly changing skill sets and job requirements, Talent Management becomes a progressively more difficult challenge for organizations. Implementing an effective talent management strategy may help to ensure that the right people are in the right place at the right time, as well as ensure organizational readiness for the future. Businesses have bright prospects with Talent Management as their key practice towards sustainable development of the organizations.

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- Strategic Talent Management: A Review and Research Agenda David G Collings and Kamel Mellahi

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A study on Employee Engagement of Staff level employees working in Manufacturing Industries.

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ABSTRACT

The purpose of this study is to find the antecedents that influence employee engagement, as the organizational Engagement deteriorated due to high turnover and related issues such as high absenteeism, low loyalty and productivity. Employee engagement is the level of commitment and involvement an employee has towards his organization and its values. It is a measureable degree of an employee's positive or negative emotional attachment to their job, colleagues and organization which profoundly influences their willingness to learn & perform at work. Employee engagement has a direct impact on the employee's productivity. This exploratory research was conducted among employee working in manufacturing sector to test the relationship between the antecedents comprising of employee communication, employee development, reward and recognition and extended employee care. The data was gathered through structured questionnaire. The result indicates that there is a significant relationship between antecedents comprising of employee communication, employee development, reward and recognition and extended employee care. Among the antecedents, employee development forms the most significant contributor. This study was based on manufacturing companies in general; hence the attributes unique to a particular industry within manufacturing cannot be uncovered. The data for this research though structured questionnaire was collected directly from employees working in various manufacturing sector.

Key words: Employee engagement, Manufacturing, Communication, Commitment, Involvement.

Introduction:

Managers agree that modern business demands higher productivity and more efficiency, than in previous times. Companies are trying to increase their performance in order to place their company ahead of the competitors. At some point, satisfied employees, content with their work experience, was a good formula for success, as a satisfied employee, who wanted to stay with a company, contributed to the workforce stability and productivity. But those times have changed. Nowadays, the business environment is global and competitive and simply satisfied and stable employees are not enough to bring necessary business results. Satisfied employees may just meet the work demands, but this will not lead to higher performance. In order to compete effectively, employers need to go beyond satisfaction - employers must do their best to inspire their employees to apply their full potential and capabilities to their work, if they do not, part of the valuable employees' resources remains unavailable for the company. Therefore, modern organizations expect their employees to be full of enthusiasm and show initiative at work, they want them to take responsibility for their own development, strive for high quality and performance, be energetic and dedicated to what they do – in other words companies want their employees be engaged. Employee engagement is the best tool in the company's efforts to gain competitive advantages and stay competitive.

Though, the notion of engagement is relatively new, it is already a hot managerial topic and it is rare to find an HR or managerial related article that does not mention employee engagement. The relative novelty of the concept has caused a situation, where there is still no one clear and agreed definition of engagement. Engagement creates the prospect for employees to attach closely with their managers, co-workers and organization in general and the engaging environment is the environment where employees have positive attitude toward their job and are willing to do high-quality job.

The example of, Manufacturing Based Company was taken in the investigation to test engagement theories on the rarely investigated group of people. It was considered to be interesting to find out the present engagement level of administrative personnel and to find out factors that need to be improved. Firstly, we will see the current level of the employee engagement. Secondly, the questionnaire will map out the areas, which need improvement for further engagement building. Engagement literature presents a number of factors that influence employee engagement at work; these factors will be used to investigate which factors need to be improved in order to increase the employee engagement.

Areas of Engagement



Employees' perceptions in all areas have an impact on the level of their overall engagement. Naturally, some organizations rate certain areas of their culture more favourably than others. High-scoring as well as low-scoring organizations need to identify what drives engagement for them, and what drives engagement for any organization likely changes over time. From a normative standpoint, some items tend to be among key drivers more frequently than others. For example, perceptions of recognition tend to drive engagement more frequently in organizations than perceptions of compensation. But we have found through this study that the higher employees rate a particular item, the less likely that item is to be a key driver of engagement for that company.

The most favourable areas of engagement for lower-performing organizations, trust with co-workers and job satisfaction, share a common theme: self-interest. These employees are thinking about themselves and their friends at work. In contrast, organizations with the highest levels of engagement scored most favourably in trust in senior leadership, feeling valued, and retention. These employees are thinking about the leadership team and their vision, the recognition of other employees' contributions, and professional development opportunities. The common theme is organization-interest. These employees are thinking about how they can better the organization's future.

Literature Review

Engagement at work was conceptualized by Kahn, (1990) as the 'harnessing of organizational members' selves to their work roles. In engagement, people employ and express themselves physically, cognitively, and emotionally during role performances. The second related construct to

engagement in organizational behavior is the notion of flow advanced by Csikszentmihalyi (1975, 1990). Csikzentmihalyi (1975) defines flow as the 'holistic sensation' that, people feel when they act with total involvement. Flow is the state in which there is little distinction between the self and environment. When individuals are in Flow State little conscious control is necessary for their actions. Employee engagement is the thus the level of commitment and involvement an employee has towards their organization and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization. The organization must work to develop and nurture engagement, which requires a two-way relationship between employer and employee.' Thus Employee engagement is a barometer that determines the association of a person with the organization

Engagement is most closely associated with the existing construction of job involvement (Brown 1996) and flow (Csikszentmihalyi, 1990). Job involvement is defined as 'the degree to which the job situation is central to the person and his or her identity (Lawler & Hall, 1970). Kanungo (1982) maintained that job involvement is a 'Cognitive or belief state of Psychological identification. Job involvement is thought to depend on both need saliency and the potential of a job to satisfy these needs. Thus job involvement results form a cognitive judgment about the needs satisfying abilities of the job. Jobs in this view are tied to one's self image. Engagement differs from job in as it is concerned more with how the individual employees his/her self during the performance of his / her job. Furthermore engagement entails the active use of emotions. Finally engagement may be thought of as an antecedent to job involvement in that individuals who experience deep engagement in their roles should come to identify with their jobs.

Managers create an environment that maximize the performance of employees and provide employees with a passion to work (Baumruk, Gorman, Gorman & Ingham, 2006; Lockwood, 2006), thereby influencing the level of employee engagement of the employee. Opportunities for growth also enhance the level of engagement of the employees. Employees tend to stay with organizations, which are "talent friendly" and progressive (Towers, 2006).Seijts and Crim (2006), while summarizing the existing literature on how leaders can 'engage employees' heads, hearts, and hands' identified ten factors, named the 'Ten C's of Engagement' – steps that the management may take to enhance the level of engagement of the employees. These may be enumerated as follows:

1**. Connect**: the extent to which management convey that it cares for and values the employees.
2. **Career:** the extent to which the management provides to the workers work that is 'challenging and meaningful' and fostering one's career growth.
3. **Clarity:** the extent to which the goals, rules and the organizational operations are transparent and understood by the employee.
4. **Convey:** the extent to which the management communicates goals and provides feedback.
5. **Congratulate**: the extent to which good performance brings praise and recognition.
6**. Contribute**: the extent o which one's contribution to the 'success and future' of the company is understood.
7. **Control:** the extent to which the management allows the worker to participate in decision making and drive initiatives.
8. **Collaborate:** the extent to which the organization upholds team work over pursuance of self-interests.
9. **Credibility:** the extent to which the management demonstrates transparency and high ethical standards.
10. **Confidence:** the extent to which the organization demonstrates high ethical and performance standards, creating a sense of positive identification among the employees.

Methodology

The following section will cover an approach and a method used for the investigation of the current level of engagement of the administrative workers and the factors that need to be improved in order to increase engagement.

Research methods

It is relevant to use qualitative research when the prior knowledge about the area of interest in limited. Due to its modest insight, qualitative research tends to be flexible, with an emphasis on gaining insights. The process of research involves emerging questions and the researcher making interpretations of the meaning of the data collection and analysis is often continuous, caused by limited prior understanding.

In order to measure the engagement level of employees and to find out the specific antecedents of engagement that need to be improved, the quantitative research, with questionnaires as the main source collecting data, was chosen. The choice has fallen on a quantitative research for several reasons. A couple of tools for measuring employee engagement have already been developed, which gives the opportunity to measure engagement with a help of the questionnaire. This questionnaire produces numerical data, which is a quantitative approach. Furthermore, existing researchers' studies and theories suggest a number of factors influencing the engagement, so no prior research was needed for the purpose of this research.

Moreover, quantitative research provides results in the form of numbers, which is highly applicable for the purpose of this paper, as they can be compared with each other within the category of antecedents of engagement, and can point out the factors driving engagement, which need to be improved. These numbers are the basis for further analysis and recommendations

Information gathering

The theoretical part of the paper is based on findings from the engagement literature and previous research on engagement. It consists of theoretical analysis of the existing engagement literature and discussing the area of interest.

The research is analytical and Tool used for data collection is Structured Questionnaire.

Primary Data-

A questionnaire was prepared and the primary data was collected through survey method.

Secondary Data-

The data is collected from Company records, Books, Magazines and Internet

Sample size-

A sample of 56 Staff level Employees have been considered for this study.

Limitation:

1. Area was restricted within the company.
2. The study on Employee engagement was done only for the staff members.

Research Objectives:

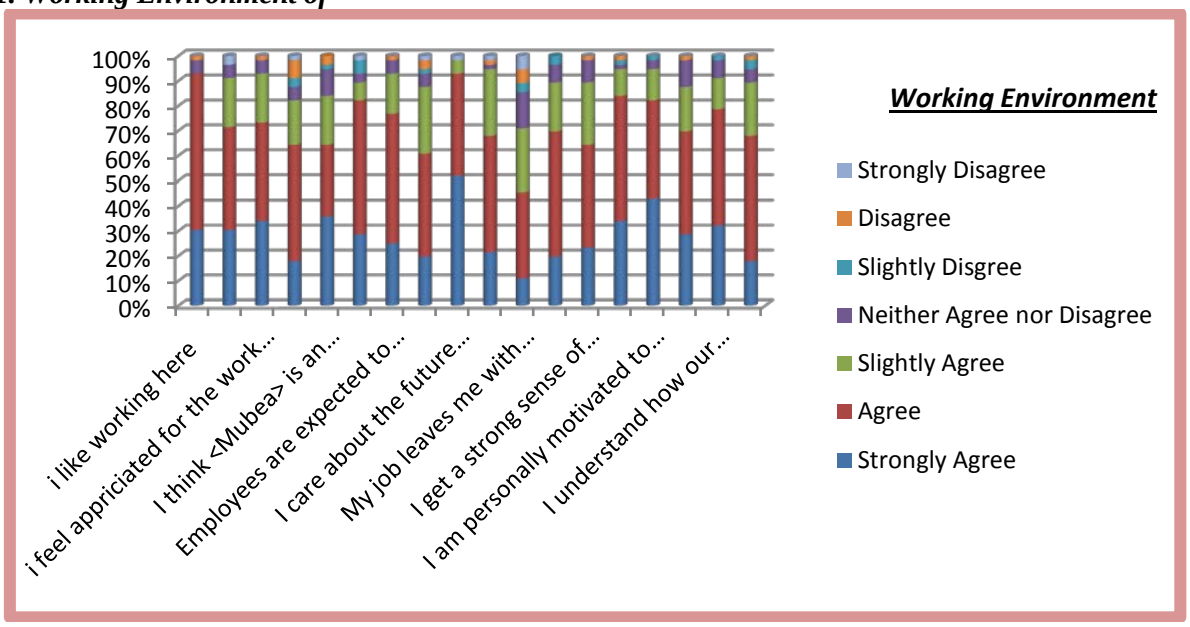
1) To study the employee engagement of staff level of employees working in manufacturing industries.
2) To help the management of the company to know about the actions to be taken to improve the level of engagement of employees.
3) To study the policies and practices implemented in the Organization.

Data analysis

The empirical part of this paper is based on the data collected through the survey. The aim of the survey is to apply engagement theories on the rarely investigated yet, but important part. The survey was intended to measure their engagement level and to find factors that need to be addressed in order to improve engagement.

The method of collecting this data was a self-administered questionnaire.

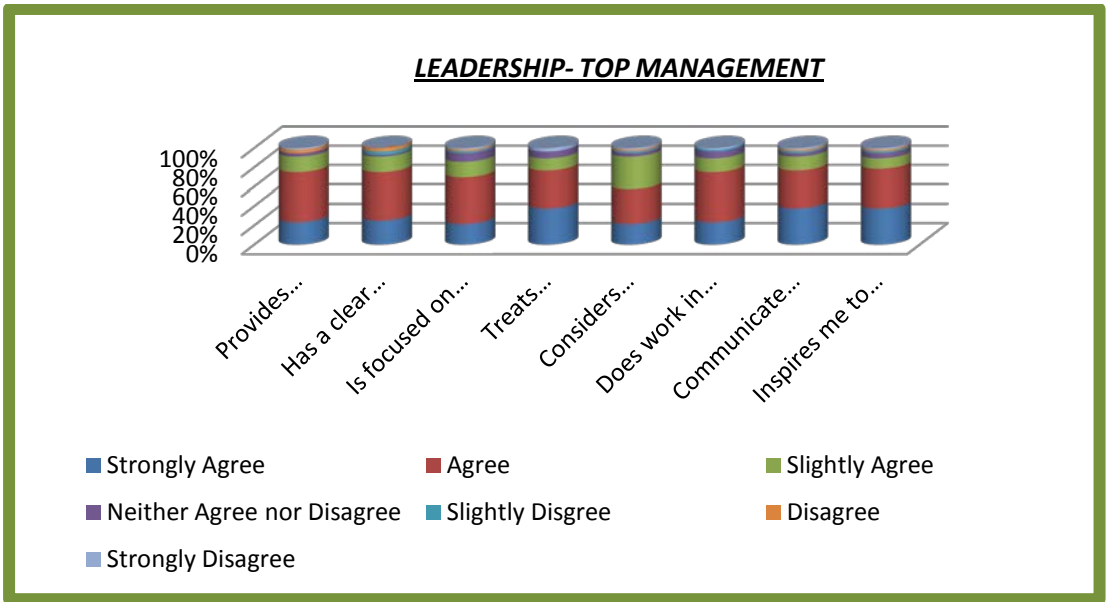
1. Working Environment of



Interpretation:

From the above chart it is interpret that majority of employees are Engaged with the working environment in the organization while the slight no. of percentage employees are not Engaged.

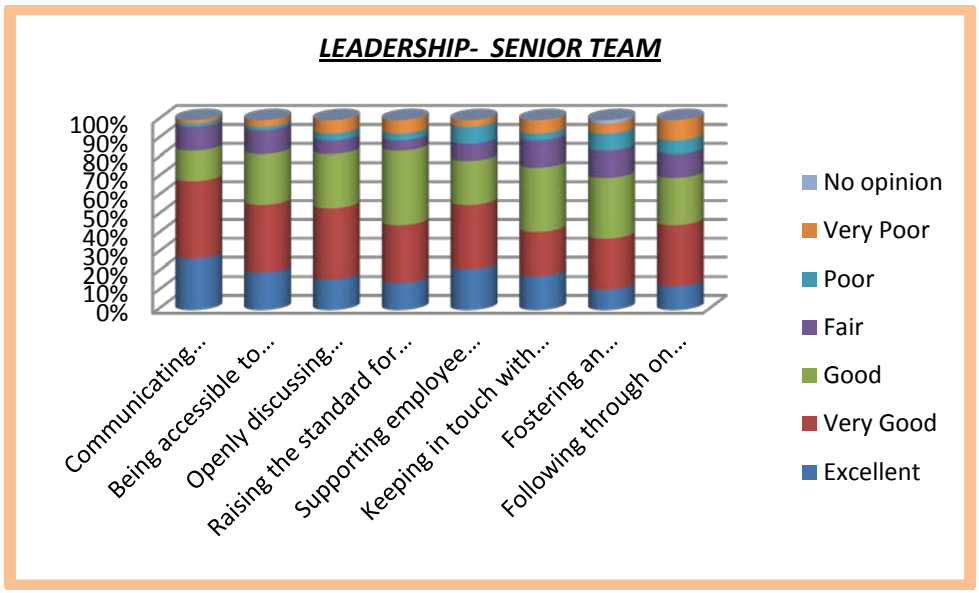
2. *LEADERSHIP- TOP MANAGEMENT*



Interpretation:

In the above chart the majority of engaged employees in the Leadership with the Top Management is towards the positive direction. It interprets that there are 93% and above that employees are engaged within the organization with the Top Management while the less number of percentage in the negative side.

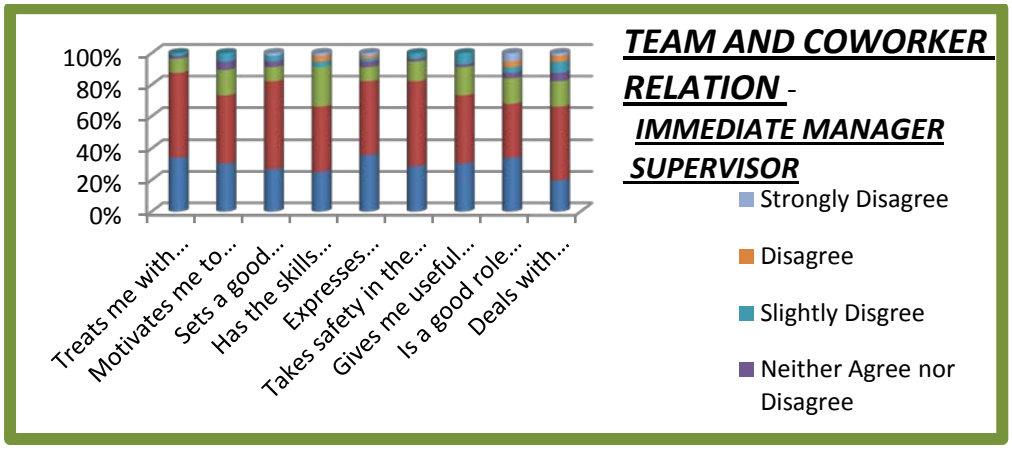
3. LEADERSHIP- SENIOR TEAM



Interpretation:

In the above chart, the majority of employees in the Leadership with the Senior Team highly engaged. It interprets that there are 89% and above that employees are engaged within the organization with the Senior Team while the less number of percentage in the negative side which is near to 11%..

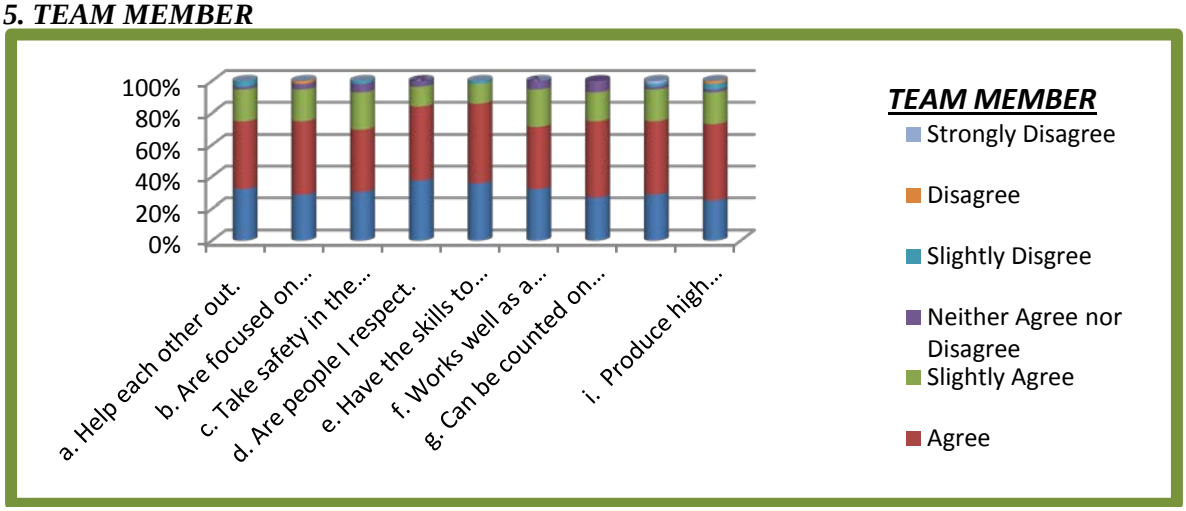
4. TEAM AND COWORKER RELATIONS-IMMEDIATE MANAGER/ SUPERVISOR



Interpretation:

From the above chart it can be interpreted that the engagement level of employees within the Team and Coworkers is highly engaged.

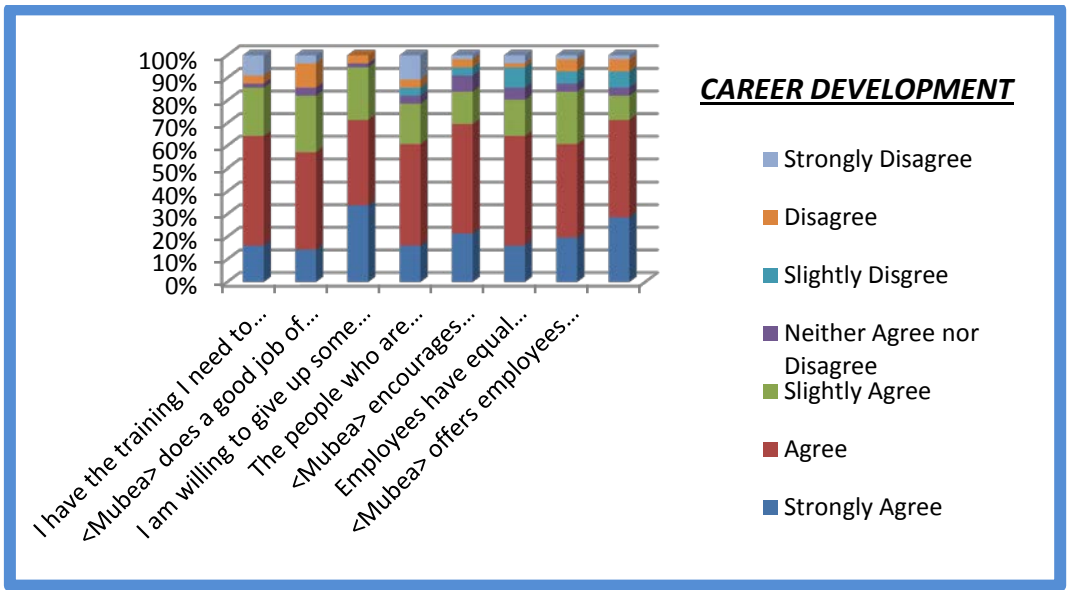
5. TEAM MEMBER



Interpretation:

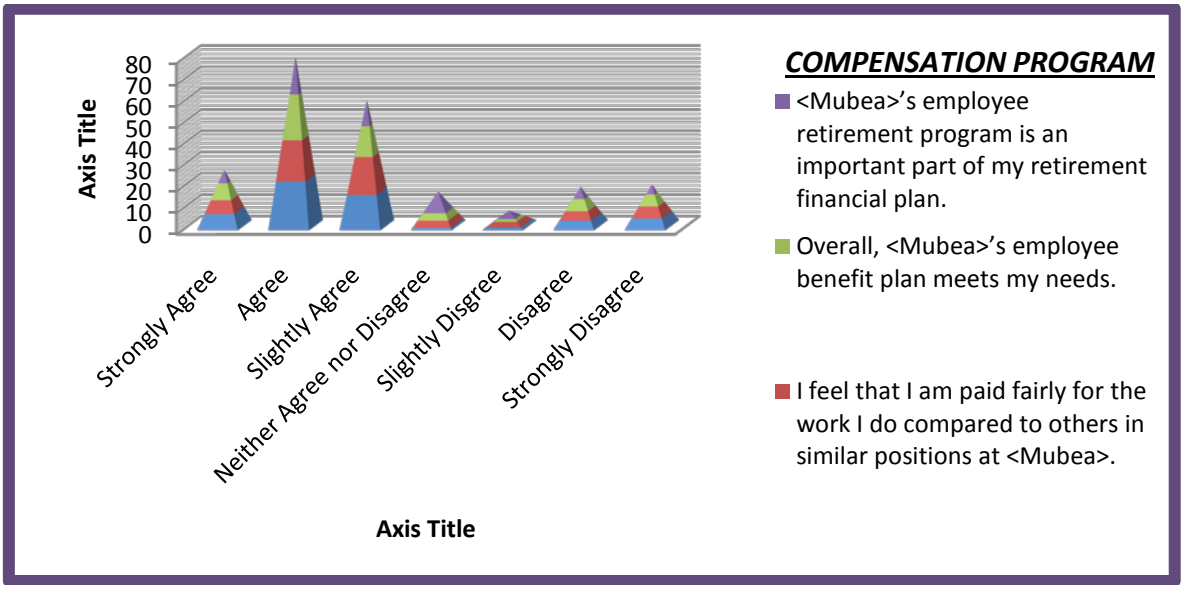
In the above chart the majority of employees are highly engaged with the Team Members that is totally close to the 95% while there is slight number of percentage shows the disengagement level that is near to 5% only. The chart interprets that there is strong engagement level of Team Member within the organization.

6. *CAREER DEVELOPMENT*



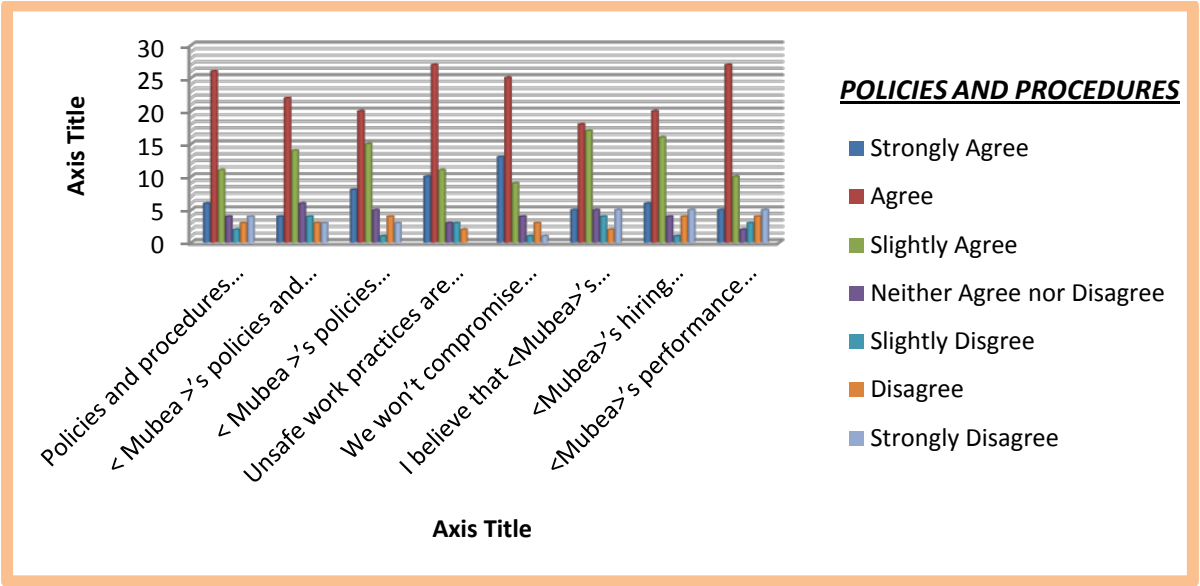
Interpretation: In the above chart of Career Development it interprets that the 80% and above employees are engaged with the career and development program.

7. COMPENSATION PROGRAM



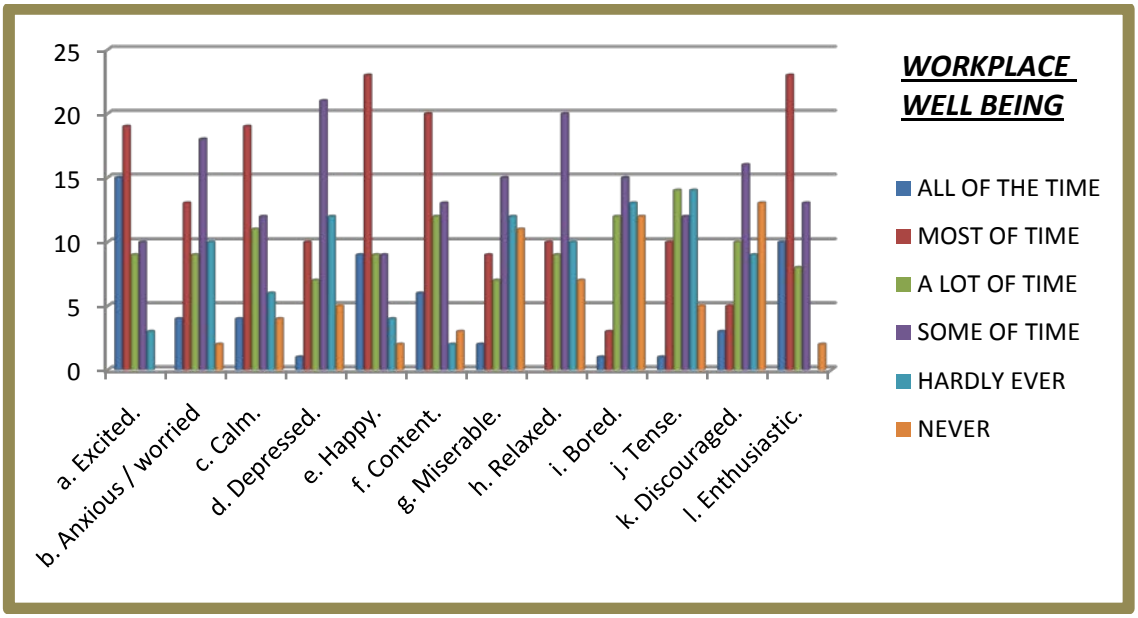
Interpretation:
In the above chart it is interpret that the majority i.e. 72% of employees are engaged with the current compensation program.

8. POLICIES AND PROCEDURES



Interpretation:
From the above pie chart it is interpreted that majority of employees are engaged with policies & procedures of the organization.

9. WORKPLACE WELL BEING



Interpretation:
In the above pie chart, shows the state of wellbeing of employees.

FINDINGS

The majority of employees are engaged in the working environment. The leadership of top management is situational which keeps them engaged. The leadership of senior team keeps them engaged by giving continuous task to work on. The relationship between the team members or immediate supervisor is open in the nature of the organization. It improves relation with in the team. The activities of career and development help to know what the employees are expected to do. The majority of employees feel compensation program is well organized for them. Employees feel that suggestions are considered and also queries are looked into. The majority of respondent employees are engaged to work as an employee in the organization. It shows their level of morale.

SUGGESTIONS

Right type of employees should be recruited & assigned the jobs on the basis of their qualification and skills. Employee should be encouraged by giving them proper salary hikes, incentives & gifts. Company should frame the policies & procedures which will state employees should respect their superiors, peers & sub-ordinates. Strict provisions should be made for completion of work in the most appropriate and professionalism manner. HR should frame training programs & games so that the positive attitude of employees towards organization will develop. Importance of team work should be built amongst the employees, so that they will cooperate with each other at work place. Each and every employee should be aware about policies; vision- mission of the organization. There should be open communication between all the hierarchical levels of organization.

Conclusion

Engaged employees lead to increased productivity, retention, customer loyalty and profitability. Employee engagement is related to emotional experiences and wellbeing. Researchers have found that emotional factors are linked to an individual's personal satisfaction and the sense of inspiration and affirmation they get from their work and from being part of their organization. However a considerable number of employees agree that their company is a good place to work, suggesting they are emotionally happy, whilst others argue emotions should not be allowed to flow free, and that employees are more productive when their emotions are managed.

Simply surveying for the current engagement level and then doing nothing with that information often leads to employees feeling that they aren't being heard, which in turn can negatively impact morale and trust levels. Identifying and analyzing engagement levels and the drivers of success is the first step. The real challenge is in equipping your business to act and ensuring that change is embedded in culture so that workforce remains focused and aligned to the business strategy. An engaged workforce is the key to sustained competitive advantage and accelerated business performance.

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Empowerment of Women - Socio-Psychological Needs

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Introduction

The services rendered by bank in multiplicity of ways have a direct or indirect impact on the women entrepreneurs. These services may be categorized as the services catering the "Socio-Psychological Needs" and the services facilitating to settle the account related matters in good-naturedlyways .However it is always wide spread belief that the banker like Govt bureaucrat is felt short in meeting the needs of customers ,especially women entrepreneurs. This research paper, although it is an offshoot of the author's PhD document where sample of 147 women entrepreneurs financed by BoM is the focus of study; this research paper is useful in understanding how far the women entrepreneurs are being satisfied (?) by the well reputed BoM?

Keywords: Entrepreneurs, Bank Finance, Socio-Psychological Needs Socio-Psychological Needs of a Women-entrepreneur:

The women-entrepreneurs getting the loans from the bank for her business has many expectations from her banker besides getting loans. She feels that when she deals with the bank by opening account it is then banker's responsibility to take care of her Socio-Psychological Needs (SPNs) besides facilitating other finance related services on par with other customers .These SPNs are having special impact on her bent of mind and their positivistic reciprocations cherish her entrepreneurial abilities Although these are not linked to the survival of the women-entrepreneur's physical being, but their deprivation may seriously affect his psychological state and her behavior. Some of these needs are:

(i) The need for recognition and social company
(ii) The need for security
(iii) Need for mutual trust
(iv) The need for information
(v) The need for prompt service
(vi) Interdependent relationship
(vii) Borrower's psychology
(viii) Women-entrepreneurs satisfaction through trained bank staff

How far the above needs have been outfitted by the banker for inspiring women is a matter measured ahead firstly in quantitative terms (a) and then the same is substantiated by qualitative terms (b).The methodology in such evaluation is epigrammatically narrated ahead

a) Evaluation through Quantitative Terms

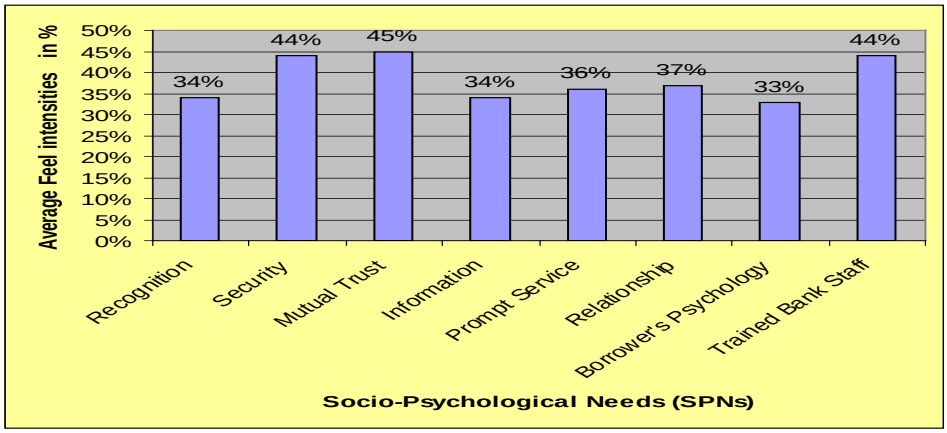
The value of above SPN statements may be measured on the basis of responses endorsed by sample women entrepreneurs in terms of % Feel Good Factor. Under this method sampled number of women entrepreneurs were asked, how much have they been positive to given statement? Quote in % where "0"% means "Not at all satisfied" and "100%" means "Fully satisfied". Any % between 1% and 100% indicate the level or intensity of satisfaction by concern respondents to the statement given. When there is group of sampled respondents each one voting to the given statement in varied %s, the summations of all such %s expressed by such sampled *respondents is made to arrive at the average value to the statement from the eyes of sample respondents.*

Sample Women Entrepreneurs' (n=) Perceptions about their self needs expected by them to be satisfied by the banker financing her business

Sr. No	Socio-Psychological Needs (SPNs)	Average feel/Sense Intensity in % as envisaged by a group of women –entrepreneurs
1	Identification	34
2	Defense	44
3	Communal Trust	45
4	Information	34
5	Timely Service	36
6	Liaison	37
7	Borrower's Psychology	33
8	Educated Bank Staff	44
9	Mean	38
10	SD	5.097
11	CV	13.41%

The above table shows that the sample women entrepreneurs are not so far satisfied since their perception over the satisfaction level/intensity against SPNs statements is less than 50% i.e. mean value of satisfaction feel is 38 with SD 5.097 and CV 13.41%. In other wards the women entrepreneurs by and large are in recipient of lower echelon of satisfaction. It is precisely substantiated by the following graph based on above Table

Graph:-Perceived Satisfaction level by Sample Women Entrepreneurs' over the SPNs catered by the banker



b) Evaluation through qualitative terms

(i) The need for recognition and social company:

Every Business women has an innate desire to be recognized on her own, and being a business owner, she has a strong desire to maintain lasting social relations with bank officials. But unfortunately the women-entrepreneurs in the banks are often equated with their account volume. Women-entrepreneurs desire to have a personal relationship with their banks, but banks are not often personable. Considering that most banks offer similar services, it is necessary for the banks to offer personalized services to women-entrepreneurs who are account holders as well. The cashiers/tellers and deposit/advances counter clerks, who are the main contact persons for these retail women-entrepreneurs have a major role in gaining the loyalty of the women-entrepreneurs.

(ii) The need for security:

Apart from his physical security, every women-entrepreneur would like to have economic security and financial guarantee. The bank has, therefore, to project an atmosphere of stability, dependability, security and comfort. It should learn about the type of financial problems its clientele need to solve and offer services to fulfill these needs. This will project the image of a bank that is women -oriented and dedicated to the welfare of its clientele.

(iii) Need for mutual trust:

Generally, banker expects that the women-entrepreneur shall trust though his financial help may be big or small but he is unwilling to reciprocate the feelings. This is more prominent in the case of sanctioning of loans and advances. The women-entrepreneur is often looked upon with skepticism and mistrust since the loan officer realizes his responsibility for recovery of the monies lent. The professional ethic is proffered as a ready justification for maintaining a frigid relationship with the women-entrepreneur. Although a certain amount of detachment is necessary, a sympathetic listening to the view-points of the borrower and offering of constructive suggestions would instill confidence in women-entrepreneur towards the bank.

(iv) The need for information:

With the increase in levels of literacy and expansion of the bank branch network, the public, especially women expectations from the bank have also grown considerably. The women-entrepreneur today demands more and more information from the banks. Truly speaking there are hundreds or more schemes proliferated from the various agencies and the bankers are expected to inform the same to women. However this task is least cared and whenever there is an obligation to give information, the bank just acts as catalyst agent.

(v) The need for prompt service:

The systems and procedures in banks are generally developed to safeguard the bank's interest and the promotion of women-entrepreneur satisfaction is given only a secondary status. This often results in inordinate delays in providing prompt services to women-entrepreneur. These delays sometimes give rise to unpleasant situations in banks.

(vi) Interdependent relationship:

Researchers have shown that women-entrepreneurs perceive the relationship between a banker and a women-entrepreneur as one of inter-dependence. While the banker is viewed as a friend in need and an expert in financial services, the bank too needs loyal women-entrepreneurs to improve its business and profitability. It should, ideally, be both a business and personal relationship. However in realities this does not happen

(vii) Borrower's psychology:

Generally, psychological threat is most likely to occur in a borrowing situation due to the feelings of financial weakness and fear of psychological rejection on the part of the women-entrepreneur. Any refusal of loan is likely to be constructed as an inconsiderate ego-deflating treatment. Women entrepreneurs feel unsecured due to not getting the full support from their family members. They need to maintain the work balance between family and business life. The banks should, therefore, educate their women-entrepreneurs about their schemes, procedures and other requirements to enable them to anticipate how much money they can expect from the bank when needed and on what terms. Various schemes have been started by the government. Bank, in order to make them viable should provide working capital funds for the meeting out routine obligations.

(viii) Trained bank staff Motivates women entrepreneurs

However, there is a much need for personalized services from bank to women-entrepreneur, it is well highly impossible for any banker to maintain a person-to-person relationship with each women-entrepreneur. But it is necessary for the officials at the bank to be exposed to the basics of women-entrepreneur's psychology so that they cater to their needs. The bank has, therefore, to train its personnel in these aspects and communication techniques, and place the trained staff with the right attitudes and skills on desks dealing with Women Entrepreneurs.

In the modern marketing women-entrepreneur satisfaction can be taken as the strongest foundation laid down for the success of an organization. An organization will not be able to survive in

the long run if its women-entrepreneurs are continuously feeling dissatisfaction. The women-entrepreneur is very important component in the total marketing system of the bank-services. It is necessary to take his proper care; otherwise he will stop to hold savings in the bank.

Women-entrepreneur satisfaction is a very important aspect in the case of enterprise dealing with the marketing of services. The commercial or urban cooperative banking system is one of the service organizations which are operating in every city. A banking institution is indispensable in a modern society. It plays pivotal role in the economic development and forms the core of the money market in a country. The banks open various types of deposit accounts and render various services to the depositors and borrowers such a collection of cheques, demand drafts, bills of exchange, promissory notes etc.; besides these banks also provide the various kinds of ancillary services. Therefore, it is pertinent to understand what benefits and satisfaction the women-entrepreneur is seeking from the bank services. The marketing of services can be hit upon only if there is a match between the service product from the women-entrepreneurs' view point and suppliers' view point.

A women-entrepreneur chooses his bank not merely on economic or psychological considerations, but also due to influences through 'word of mouth' by his own circle of friends and associates. It is, therefore, advisable for banks to work on their present clients to secure new ones through personal recommendations. It should be the constant Endeavour of the banks to study the needs of the population in their areas and devise appropriate schemes to cater to them. They have to be courteous and appreciative of women-entrepreneurs' aspirations and view-points. They have to build-up goodwill for the banks. In short, there is a need for a humanized banking system.

Conclusion

Women as an individual have a typical physiological bent of mind and the same is required to be considered by the banker while dealing with her. The psychological traits that inherit need to be perceived by the banker for providing services to women entrepreneurs. The bank personnel shall be given necessary training to understand the women feel about the bank and it's financing for developing a harmonious relationship with the women-entrepreneur. It enables the banks to gain new marketing avenues

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HRM: A FUTURE - SCENARIO

Dr. P. V. Kulkarni

ABSTRACT

Technological changes, globalization and liberalization have changed the way business is being done in the world. Because of global expansion of limits of business, human resource department has also attracted personnel world around and India is not exception to that. The paper has elaborated the various issues in human resource management which suggests human resource is not just filling various positions in organization, hiring employees, estimating emoluments, analyzing work , describing jobs etc., but is now more focused to the development of employees, their quality contribution to the ability of organization and motivate employee to achieve their objectives.

Key-words: Human resource, merger acquisition, changing work profile, newer organizational design, quality consciousness.

INTRODUCTION

Human resource Department is core of all the functions in an organization without involvement of which any organization is unable to undertake its financial as well as operational functions with the required efficiency. In past, HR department was commonly known as personnel departments which were aimed in handling the people at work and their relationship with each other the various dimension of personnel management contains three aspects:

a) Personnel aspect - recruitment, selection, placement, training, appraisal, compensation, productivity etc.
b) Welfare aspect - Working conditions, amenities, facilities, benefits etc.
c) Industrial relation aspect - Union management relations, dispute settlement, grievance management, collective bargaining etc. The role of HR has expanded because of globalization and increasing percentage of overseas employment. These globalization and liberalization has also resulted in promotion of better business strategies for the growth of organization which includes in itself merger and acquisition, newer organizational design etc. This ultimately creates challenges before HR department.

Objective

The objective of paper is to present the changes the HR departments should undertake in its functioning with acquiring various business techniques and analyze problems to provide the appropriate solutions to overcome these problems.

Methodology

The analysis is based fully on secondary data like books, journals, articles and information available on internet.

Upcoming Challenges in Human Resource Management:-

The emerging challenges before Human resource Management can be understood by below mentioned concept.

1. Merger and Acquisition

When an organization tries to increase its size, to gain access to market and for increased profitability it may come either through grass-root project or through Merger and acquisition. The grassroots projects takes lots of time in research and their implementation so the best generic strategy for expanding the business firm is through Merger and Acquisition. The motive behind merger can

variously be described as practical, psychological, or opportunistic but the primary objective Remains the same to achieve synergy. Before going in detail, let us discuss what is merger and acquisition. In merger, one organization merges whole of its entity in another organization. While in acquisition, one organization acquires total control over the management of other. The stages in merger and acquisition can be classified into two phases:

1. pre merger and acquisition phase
2. post merger and acquisition phase

In pre M&A (merger and acquisition) phase the organization which is going to acquire another tries to assess the cultural and organizational differences between two, the role of leaders in the organization, life cycle of the organization, working-culture and the management styles while post merger phase consists of assessment of plans for successful integration. The challenges before successful integrations are:

1. Diversified and incompatible cultures
2. Loss of key talent
3. A clash of management styles
4. Managing the phenomenon of 'change'
5. Unclear objectives
6. Deciding HR policies etc.

These changes after integration are the most challenging issues before HR department. The M&A sometimes leads to serious impact to the performance of the employees and which results as most problematic area for HRD to remove all these hurdles. The HR management generally tries to develop preliminary organizational design and identifies the top three levels of management which assess the critical factors and deploy the appropriate resources to new merged company, again it tries to retain the skilled personal and remove those who are of no more use and develops a balanced reward, award strategy and payroll benefits which will motivate employees to work with new zeal.

2. Changing workforce profile

Over the period of time, Indian labour force has changed drastically. Earlier it was the employees who used to do such work which is demand and expectation based. Now the new HR employees have come up with more skills and higher expectations. To understand such workforce, HR department needs to move towards a more inclusive corporate culture and develop a clear understanding which includes demographics, skill sets, personality traits and employee perspectives on the organization and culture. Now organizations are hiring more young groups than matured ones. With the changing profile of employees, their expectations have also changed. They expect better compensation and working facilities. Therefore these are the challenges before HR department, to have realistic job preview so as to avoid unrealistic expectation and design a suitable retention strategy and develop quality of work life.

3. Newer Organizational Design

To manage with the changing environment the organizations are also searching new ideas for sustaining the competition. Now-a-days, organizations have not only interested in new dynamic working strategy but they want something which tremendously reduce the burden of cost as well as management. Unlike earlier days, organizations do not consist of division of labour, departmentation, authority, delegation and hierarchy level. Now they are more interested in replacement of permanent jobs and adapt temporary work situation. Organizations are transformed from a structures built out of jobs into a field of work needing to be done.

Increasing Quality Consciousness

With the increased competition at global level the organizations are compelled to focus more on quality assurance as today's customer is more interested in those organizations who deliver quality products and services, this demand of consumer leads to birth of various quality standards like quality certification (like ISO 9000,9001,9002,9003 certification), six sigma, Kaizen etc. and require such

skills which is vary reactive to these new techniques for this purpose HR management have to take proactive initiative like:

1. To design actions to meet new requirements
2. To trace out problems created by new technological changes
3. To develop attitude of acceptance in employees
4. To create culture of quality and six sigma in organization
5. To recognize training need if required by professionals

This proactive attitude of HR management will lead them towards more proper and well versed working environment and support them to encounter environmental changes.

Summing Up:

In order to meet the emerging challenges, the personnel People have to equip themselves better with skills in dealing with the human side of the enterprise. The HR consultants have longed warned Hr managers about the changing work force, impacts of merger and acquisition, adaption of new organizational design and the demand of efforts from the employee's side in maintaining quality.

Conclusion

Human Resource Department is not different than other aspects of a business in being able to deliver significant benefits to the company but in the emerging scenario, the role of HR manager is changing rapidly due to changes in government policies, unions, labour legislations and technology. The historical functions of HRM now need to be strategically focused towards developing and sustaining organizational capabilities to face the emerging challenges of environment. In the context of changing environment due to globalization, liberalization, the role of HR managers has also changed. They now need to focus on strategic issues, designing and taking proactive actions, developing integrated HR system, motivate employees towards team-work, working as change agent and marketing HR potential's contribution in the organizational effectiveness in totality. The challenges can be faced by HR management effectively, if these strategies are implemented. Hence, the role of HRM will be more significant in future due to the emerging scenario.

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- The Role of HRM in CSR – Strandberg Consulting – Bernaby

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"Talent Retention Strategies in the Changing Business Organizations"

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Abstract:

Talent retention has become a crucial issue for businesses. Appropriate, planned strategies and deliberate efforts in that direction is the need of the day for the sustainability of the business activity. Hence Talent retention is becoming challenging function of the HRM and industries across the globe are striving hard to retain good employees. Companies and their top management must recognize the aspiration of their employees and act on it to retain highly skilled human resource.The paper highlights experience of business organizations in this regards and suggests certain strategies to retain such human capital in the business.

Key Words:
Talent Management, Employee Retention, Capabilities of Work Force, Innovative Strategies, Attrition.

Introduction:

In the era of globalization around the world,the competition has become more intensive and therefore, even maintaining the *status–quo* and position in the market requires continuous evolution in the functioning of industrial enterprises. Knowledge has become one of the important factors of growth of any business organization. Knowledge or Talent management is expected to play vital role in the growth of any upcoming business organization. Innovation in production and services became the need of the day and hence the role of knowledge workers, their continuous association, positive involvement in the business activity ensures the sustainability of the business and hence retention of talented human resources is required to be done with thoughtful and well-planned strategies.

Employee retention is a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the project.

Employee retention may be referred as business management term referring to efforts by employers to retain current employees in their work force.

Scope of Research:

The present research paper focuses on the strategies adopted by large organization to retain talent in their business. Experiences of companies like Honda, IBM& Toyota have been analyzed.

Objectives:

1) To study the concept of talent management
2) To identify and analyses certain talent retention strategies of few successful business organization.
3) To suggests new and innovative strategies in the area of talent management.

Hypothesis:

New and innovative strategies for retention of knowledge workers is the prerequisite of the sustainable development of any business.

Research Methodology:

Secondary data, through journals, articles, books, surveys have been used to test the hypothesis and for drawing logical conclusions and interpretations from the data / information collected.

Analysis and Interpretation:

Talent Management is a set of integral organization HR processes designed to attract, develop, motivate and retain productive, engaged employees. The main objective of the talent management is to enhance the performance and sustainability of the business.

Talent management is an organizations' commitment to recruit, retain and develop the most talented and superior employees available in the job market.

Talent management strategy helps to retain talented emploees of any level in the business organization.

Talent Management requires Human Resource Information System (HRIS) which would track the career paths of employees and manage available opportunities for talent employee.

IBM:

In early 2003, IBM's top HR leaders and executives realized that to meet the demands of their globally integrated clients, they will have to move effectively their internal inventories of workers to the locations and projects where they were needed for this purpose, it was observed that, all employees, managers, contractors should have clear information about changing talent needs, supplies, and ways to quality. Unclear and incompatible information would cause the system to break down.

Toyota way:

For retention of employees Toyota has its own way. Toyota feels that adequate compensation and benefits to the employees is the key strategy for employee retention. Philosophies and Strategies of Toyota include:

1. **Support long-term employment security through a pay and benefits programme founded on good business judgment:** Toyota pays people well and motivate people by setting challenging targets, but Toyota prefers to create a trust economy based on a long-term view of the exchange between employee and employer.
2. To attract, develop and retain the best and the brightest is the mantra of Toyota. Mike Morisson, Vice President and Dean of the University of Toyota at Toyota Motors Sales in California, working with Toyota for 28 years states that what kept him with Toyota, is values. Toyota has tremendous relationship with its vendors, its suppliers, its dealers, the community, and its members. Retention issues are tackled in Toyota at three levels; production members, supervisors and middle managers and executive level.

Annual attrition rate for production team members has been consistently less than 3%. This group is among the highest paid employees. Even for executive group, the attrition rate is increasingly limited to retirements instead of job hoping.

Toyota offers benefits directed at stability and mutual trust include such items as: vacation time, paid personal time off, short term and long term medical leave, retirement plan, pension plan and so on. Perfect attendance ceremony and on-site child care fitness centers are the few more benefits.

In Honda Motors, Three Joys:

'The joy of producing','The joy of selling' and 'the joy of buying' have morphed into essentially a call for individual innovation and for employees to challenge themselves to spawn ever more novel ideas,and they have emerged as a blue print for managers and decision makers to consult when setting company policies related to training, developing and motivating workers. This helps in long run to retain the employees.

It has been a well-established fact that money is no more the driving force behind peoples' work. Many people still work because they 'Love' work and the objectives it attempts to achieve. Research, too, shows a strong correlation between commitment to work and excellence in output.Hence, it is necessary to motivate workers for these objectives.HR department has to formulate necessary strategy for the same.

A survey carried out by Watson Wyatt worldwide identified the following factors which makes employees remain loyal to organizations:

Table: What makes employees remain loyal to employers?

Chance to use skills on the job	11%
Trust in senior leadership	14%
Competitiveness of rewards	14%
Job security	11%
Quality of company's and product and services	10%
Absence of work related stress	7%
Honesty and integrity of company'sBusiness conduct	7%
All other factors	26%

Hence employees'satisfactions become important for his retention in the company

From the experience of the business organization stated hereinabove, it can be inferred that the new and innovative strategies for retention of knowledge workers is the prerequisite of the sustainable development of any business.

Strategies for retention of employees in the business capabilities of work- force:

1. **Enhancing capabilities of work force:** Due to competition, new skills are required to cater the changing needs of the innovative products and services. Hence strategy which makes employees to enhance their capabilities with new skills required for the industry. It is necessary to make learning new skills as an ongoing process built into the work itself. This is important as in one survey in U.K., it was observed that 59% executives agreed that there exists and skill gap and it will stay the same or increase overtime.

2. **Compensation package should be accompanied with factors like job satisfaction, self-actualization etc.**

3. **Better communication with employees:**Responsibility and accountability is required to be communicated in simply and easy language. Employees be encouraged to share their views, opinions with the senior level management members.

4. **Proper job designing:**Carefully and thoughtfully deciding on the task to be assigned to which job, companies can exert greater influence on the retention rates of employees.

5. **Efforts should be taken to satisfy the deeply embedded 'life interests' of an employee:**It is necessary to create a customized career path for the employees.For this purpose a mechanism should be evolved to know accuracy,aptitude and excitements of the employees.
   For this purpose employee's behavior and his motives be observed to identify has interest and then according by set his job description. This would facilitate retention of middle or senior level managers for long.

6. **Developing strong inter-personal relations:**Business organization should take pro-active steps to strengthen the inter-personal relations amongst the employees. This can be done by encouraging then to form employee's clubs such as Drama Clubs or Cultural Activity Club, Family Clubs where even family members of the employees would be involved to create stronger social ties amongst the employees and their families. This would strengthen the inter-personal relation inhealthier manner and good teams could be constituted at workplace considering their interpersonal relations with each other. Hence, building of teams at work place and forming social

groups outside the workplace help to create strong social bonding among the employees. This would discourage employees to leave the job.

7. **Multiple locations of companies:**Most of the IT companies have strategically established their development centers across the country with a view to retain the talent within the company by offering them a choice of location of their workplace. By giving such choices of workplace, attrition rate is likely to come down. Such multi-locations would help to tap talent from various locations.

8. **Appreciating Employees:**Those employees who are working hard must be appreciated through recognitions. This can be done by giving such employees awards or gifts in some annual programmes of the company. In such programmes, top management presents the awards and thanks employees for their outstanding performance in their work. This would facilitate in retaining employees for a longer period.

9. **Flexi-timings:**It has been observed that many companies especially in IT Sectors, offers flexi timing to their employees in such schemes, employees will have to put in an average of nine hours of work a day according to their convenience. Working mothers can work partly at work place and partly from home by using new technology such as internet, video conferencing and telecommunications etc.

10. **Empowering employees and exhibiting faith in them:**In Toyota, flexible and organic bureaucracy has been adopted so as to focus on effectiveness, adaptation to change and empowerment of their employees. Toyota is known to exhibit its faith in the workers as most valuable resources – not just a pair of hands taking orders, but an analyst and problem solver. Such type of strategies, create sense of 'satisfaction' among the employees and make them an integral part of a company with absolute commitment.

11. **Dynamic Leadership:**Effectiveness of any organization depends on the superiors. Hence, it is necessary to have specific leadership skills with every superior to retain their valued employees. Superiors will have to foresee the unstable, disturbed employees and accordingly formulate a new strategy to retain them. These superiors must be respectful, courteous and friendly.

Conclusion:

It is now proven fact that employees don't work only for money. Their satisfaction of employees at workplace is gaining importance. Stress-free environment, sense of accomplishment, opportunity of growth in organization, work-life balance, keen interests in a particular work, recognition, effective leadership, flexibility in timings, multiple locations of job are some of the important factors which helps employee to love his job and remain loyal for longer period and thereby give your best to the organization where you work.

Businesses will have to plan their retention strategies well in advance and be flexible in executing them as per the situation and the organizational needs. The success of any business organization depends on the effective talent management. Hence employees, retention through various innovative ways is the need of the changing business environment so as to overcome from the problem of high attrition rate of employees

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Study of Brand Preferences & Life Style Habits of Next Generation with Special Reference to Select Cities in Maharshtra

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INTRODUCTION:-

"Marketing is the battle of perceptions". In the Indian market place companies are probing, analyzing, and targeting niches in the minds of consumers in pursuit of creating 'need-brand match'. Rural India where youth is getting shape to become future citizens, prospective buyers, and bunch of aspirations is vital for any marketer. These rural are mobilizing to urban area in search of opportunities, employment and better standard of living. If marketers understand how this segment thinks, what are their values and priorities in life and their aspirations in life, marketing will be much easier for any company who want to create niche in the minds of the growing segment.

Any company that wants to strategically reach out to the young generation, primarily need to know what are their preferences, values and aspirations. As they are the customers of tomorrow's India, which is booming, resulting in increased disposable income and undergoing a profound change in lifestyle and cultural facets.

India has an Internet population of 66 Million, out of which 23.5 Million (35.7%) are youth (Age 15 to 24). That's more than one out of every three internet users in India. Also, this tribe has grown by 54.5% since September 2011. 50% of India's 1.2 billion populations are under the age of 24. 10% of world population under 25 is an Indian. Youth have always been a prime target for marketers. More so in India now, as two-thirds of the population, 65%, or over 700 million Indians, are younger than 35 years. This segment has an influence on consumer spending far in excess of its numerical strength.

Nine million people in the age group of 12-25 years from the top 35 cities (one million plus population) in India are the ones setting the trends and raising the aspiration value for one-billion-plus Indians. Another critical factor is the increasing buying power of this segment. Earning age in India is down by 10 years, and 54% of youngsters are earning while still studying. With total spending power of about $6.5 billion--their own discretionary income plus what their families spend on them--they carry considerable economic clout, as well as the power to influence their parents' purchasing decisions on items ranging from computers and cars to watches and TVs. Indian teens alone buy nearly 60% of the fizzy drinks, chocolates, and jeans sold in India. 13 to 21-year-olds in the group influence 81% of their families' apparel purchases and 52% of car choices.

PURPOSE:-

The study will provide operational base for academicians and organizations for improving knowledge-base about likes and preferences patterns of the youth segment. The study does not investigate what is usage preference but it also investigates what they aspire. The companies and advertising agencies who first want to penetrate into youth segment and dominate the segment can benefit from the study.

RESEARCH METHODOLOGY

Objectives of the research:

The objectives of the study are:

1) To know the effect of exposure of modern lifestyle on young generation of rural Maharashtra.
2) To analyse the role played by accessibility to information and products, services in their aspirations about life.
3) To categorise the respondents into finer psychographic segments to understand the youth segment in much clear manner.
4) To study the factors which are influencing purchases and their aspirations?
5) To evaluate whether enhanced aspirations, changing values will cause geographical mobility.
6) To develop contemporary need-based information for academicians and organizations for improving knowledge base about the segment in discussion.

Geographical Area of Study: The geographical area for the study State of Maharashtra.

Traditionally Maharashtra is made up of Vidarbha, Marathwada, Kokan& Mumbai, and Western Maharashtra. Out of these Districts from Vidarbha, Marathwada, Pune & Mumbai, Western Maharashtra were selected by Judgment &sampling and consequent respondents were selected by stratified random sampling and convenience sampling.

The questionnaire comprised the following sections:

1. Life style habits
2. Purchase Habits
3. Preference for Personal Products
4. Pattern of media consumption
5. Entertainment
6. Preference in social life including politics, religion.

Data Collection:

In the present study, respondents across age group 15-25 were studies across select districts in Maharashtra. The districts were selected on the basis of conventional distribution of the state viz. Marathwada, Vidarbha, Mumbai & Pune, West Maharashtra. Following districts were covered in the study: West Maharashtra – Solapur, Satara, Sangli, Kolhapur, Nasik, and Ahmednagar. Marathwada – Aurangabad, Beed, Parbhani, Latur, Nanded, nandurbar, Osmanabad.DhuleVidarbha–Nagpur, Akola, Amrawati, Wardha, Yeotmal, Buldhana

The data was also collected having in-depth Interview with respondents. 20 in-depth interviews were conducted - 10 from Pune, 5 from Mumbai and five from Kolhapur. To achieve this objective, data was gathered from respondents in the age group of 15-24 years.

Research Design

A research design refers to a specific outline, plan, or strategy that will be utilized in order to accurately answer the research questions contained in a particular study. (Johnson & Christensen, 2004).The present study was qualitative and quantitative in nature.

Method of administering the questionnaire:

The information is gathered by using self administered questionnaire by personal visit or hired data collector near education institute or training institute.

Sampling Plan:

- ✓ Sampling element: The respondents in the age -15-24 from Maharashtra is a sampling unit.
- ✓ Sampling Technique: Stratified random sampling, convenience Sampling was used.

Data Analysis

Data analysis acts as the "construction phase" of your evaluation. The process of data analysis includes deciding on the appropriate analysis to conduct for each question, preparing data for analysis, and summarizing results.

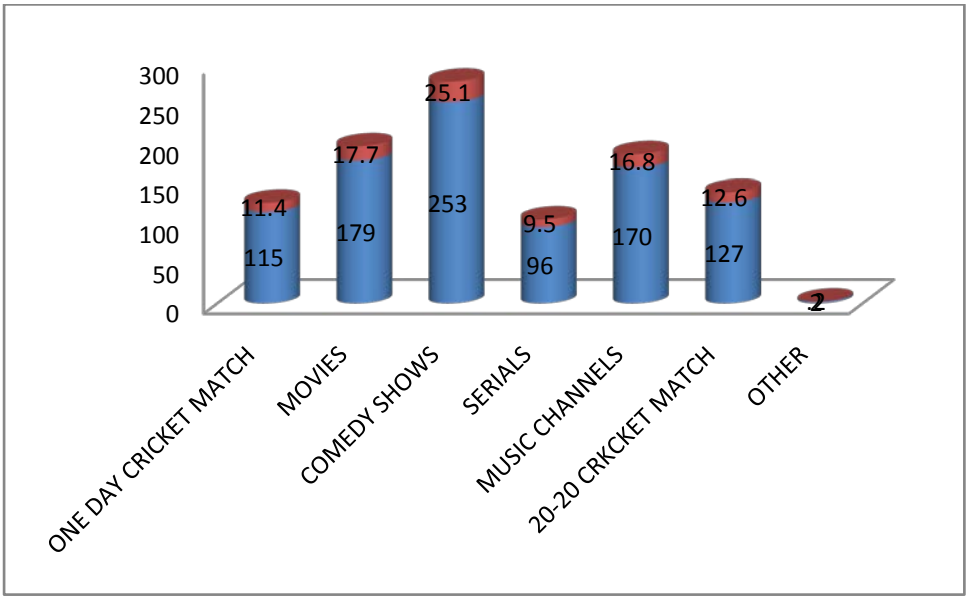
The questionnaires filled by 1120 respondents were collected, coded and tabulated to have a structured data. Out of a total of 1120 questionnaires that was circulated and received 1009 completely filled useable questionnaire. All the variables and their values were properly labeled before the actual data analysis was carried out. The data were then analysed using suitable statistical tools.

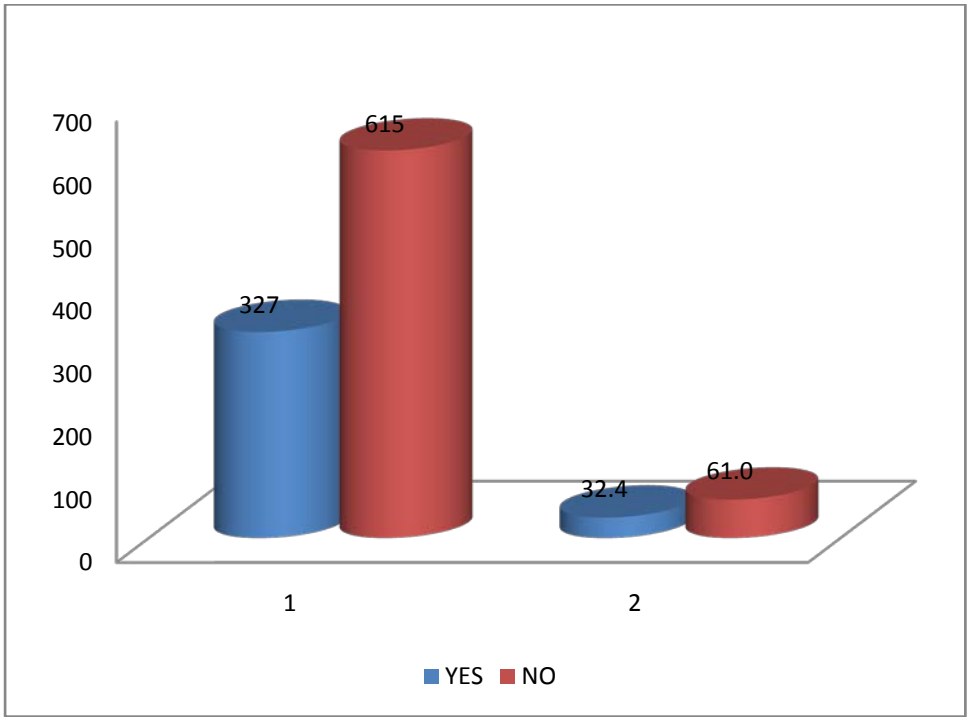
CATEGORY OF LOCATION	URBAN	484	48
	RURAL	525	52
PART OF THE STATE	MARATHWADA	186	18.4
	WESTERN MAHARASHTRA	182	18
	VIDARBHA	153	15.2
	MUMBAI & PUNE	488	48.4
AGE	15-18	142	14.1
	19-21	415	41.1
	22-24	452	44.8
GENDER	MALE	630	62.4
	FEMALE	379	37.6
RELIGION	HINDU	691	68.5
	MUSLIM	103	10.2
	SIKH	26	2.6
	CHRISTIAN	51	5.1
	BUDDHIST	69	6.8
	JAIN	61	6
	OTHERS	8	0.8

The above table shows the demographic distribution of the respondents in terms religion Hindu -68.5%, Muslims – 10-2%, Christians – 5.1%, Buddhist – 6.8%, Sikh -2.6%, Jain 6%

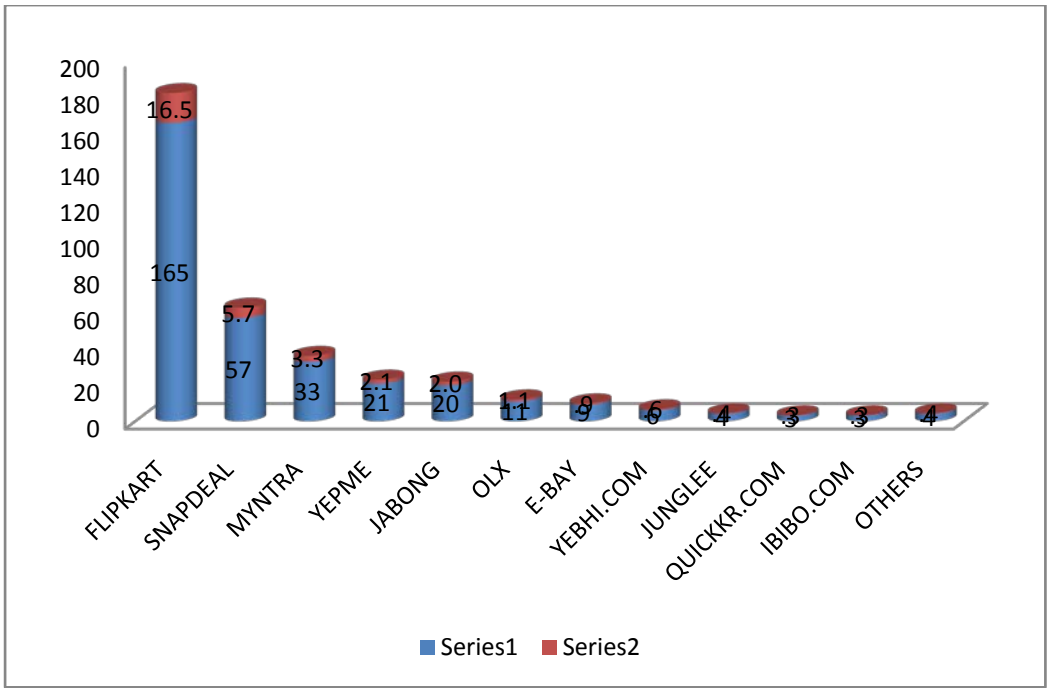
and others - 0.8%) gender (Male- 62.4% and Female-37.6%) ,location (Urban – 48% and Rural -52%), part of the state (Marathwada – 18.2%, Vidarbha – 15.2%, Western Maharashtra – 18% and Mumbai & Pune- 48.4%)and age (15-18 years -14.1% ,19-21 years – 41.1%and 22-25 years - 44.8%) . The care was taken to give representation to all segments proportionately in terms rural and urban population, caste wise distribution, gender wise distribution.

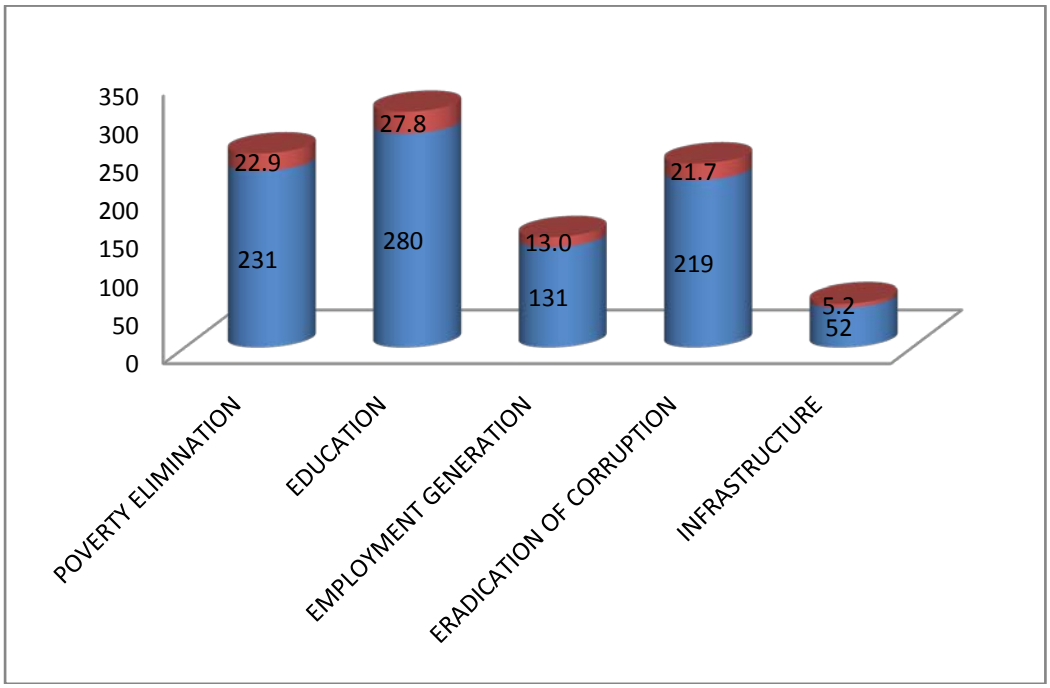
Favourite time-pass on Television:





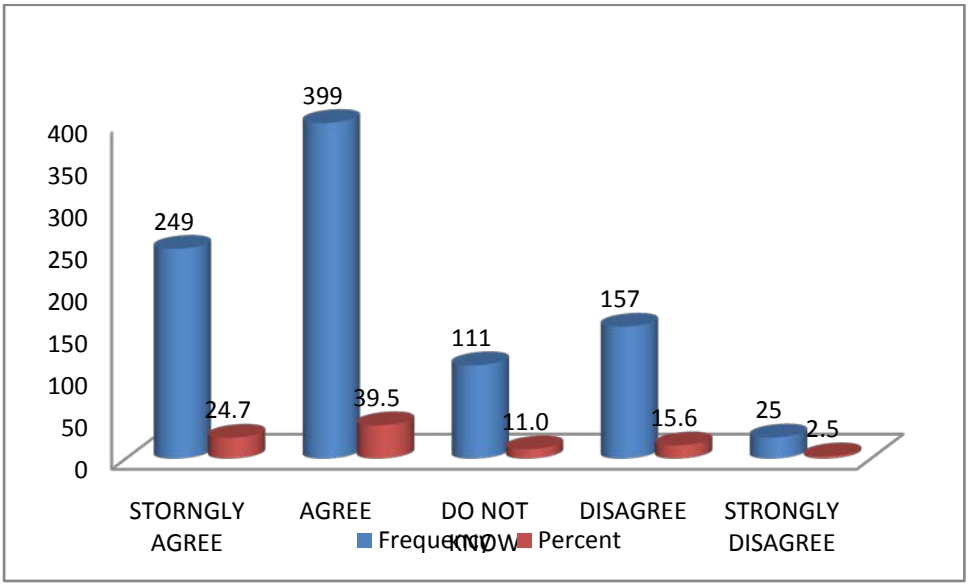
Coolest Online Shopping Website:





RELIGION * CULTURE Crosstabulation

Count							
		CULTURE					Total
		STORNGLY AGREE	AGREE	DO NOT KNOW	DISAGREE	STRONGLY DISAGREE	
RELIGION	HINDU	168	277	81	105	20	651
	MUSLIM	32	38	4	16	1	91
	SIKH	3	13	2	5	0	23
	CHRISTIAN	6	23	6	12	0	47
	BUDDHIST	19	27	8	8	1	63
	JAIN	20	19	9	7	3	58
	OTHERS	1	2	1	4	0	8
Total		249	399	111	157	25	941

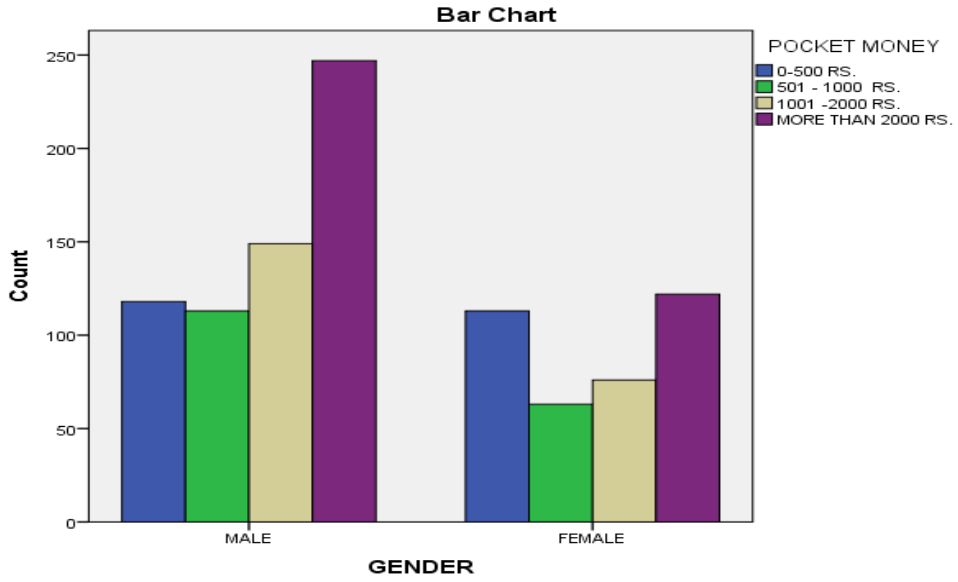


Above Figure indicates opinion about influence of western culture on Indian culture. 24.7% respondents strongly agree with the statement that Western culture is affecting Indian culture and traditions while 39% agree with the statement. Only 2.5% respondents strongly disagree and 15.7% respondents disagree with the statement.

GENDER * POCKET MONEY Crosstabulation						
Count						
		POCKET MONEY				Total
		0-500 RS.	501 - 1000 RS.	1001-2000 RS.	MORE THAN 2000 RS.	
GENDER	MALE	118	113	149	247	627
	FEMALE	113	63	76	122	374
Total		231	176	225	369	1001

	POCKET MONEY	Total

		0-500 RS.	501 - 1000 RS.	1001 -2000 RS.	MORE THAN 2000 RS.	
AGE	15-18	57	28	27	30	142
	19-21	97	77	91	145	410
	22-24	77	71	107	194	449
Total		231	176	225	369	1001



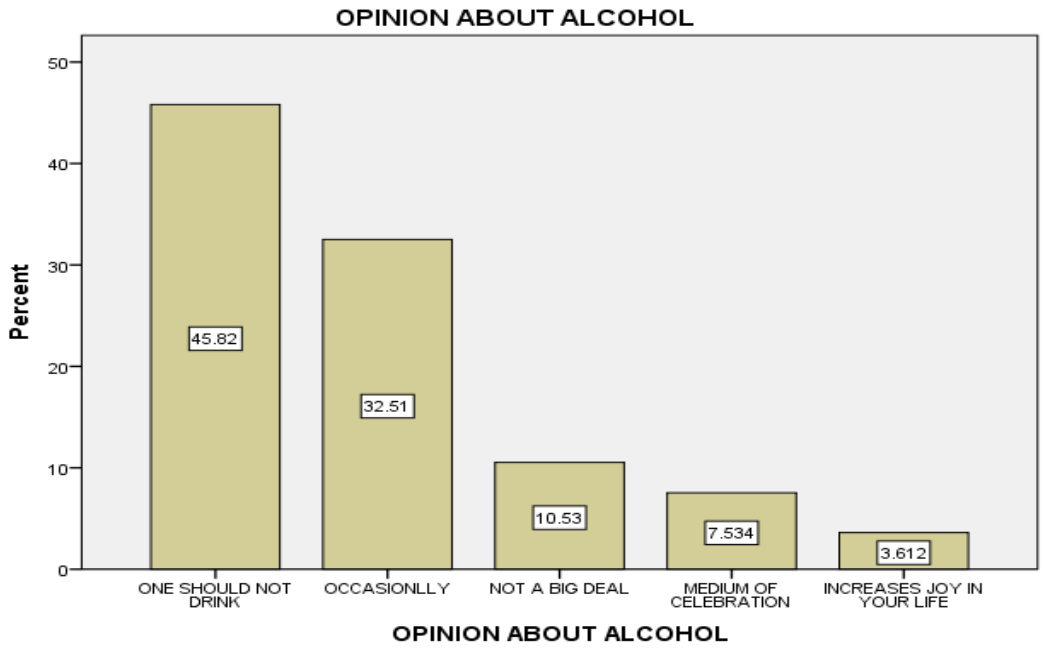
Above Figure indicates pocket money respondents receive (in Rupees) every month to meet their expenses. This is a graph for the entire state but there is lot of variations for different parts of state. The pocket money (More than 2000 rupees is quoted by maximum respondents mainly because in urban area it is the amount they demand for meeting life style expenses which is not the case in rural part. In Marathwada only 25% respondents get more than 2000 rupees and Vidarbha less than 25% get more than 2000. It is clear that gender discrimination of gender as 25% of female gets less than 500 rupees. And 40% male respondents get more than 2000.

RELIGION * PARTIES Crosstabulation				
Count				
		YES	NO	TOTAL
RELIGION	HINDU	501	188	689
	MUSLIM	65	38	103
	SIKH	21	5	26
	CHRISTIAN	31	20	51
	BUDDHIST	51	18	69
	JAIN	42	19	61
	OTHERS	6	2	8
Total		716	290	1007

Above Figure shows the liking about going to parties. Irrespective of the gender and religion, most of the respondents said that they like to go to parties and enjoy small moments

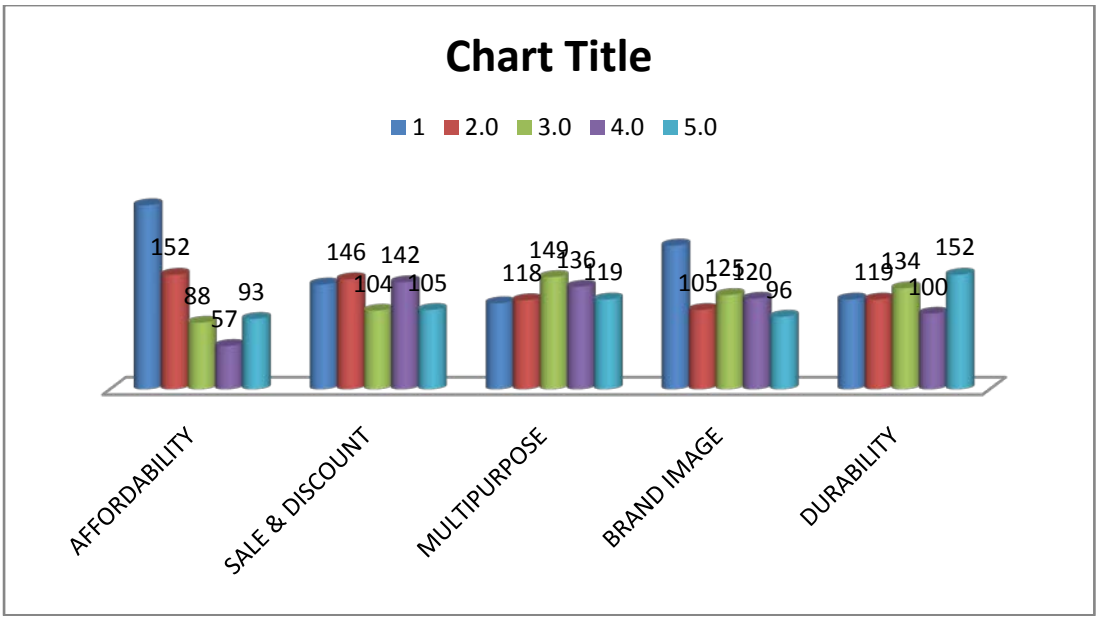
in life. One can see there is as such very less influence of religion on the liking parties and one can see uniformity in generation which is undergoing metamorphosis.

OPINION ABOUT ALCOHOL					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	ONE SHOULD NOT DRINK	444	44.0	45.8	45.8
	OCCASIONLLY	315	31.2	32.5	78.3
	NOT A BIG DEAL	102	10.1	10.5	88.9
	MEDIUM OF CELEBRATION	73	7.2	7.5	96.4
	INCREASES JOY IN YOUR LIFE	35	3.5	3.6	100.0
	Total	969	96.0	100.0	
Total		1009	100.0		



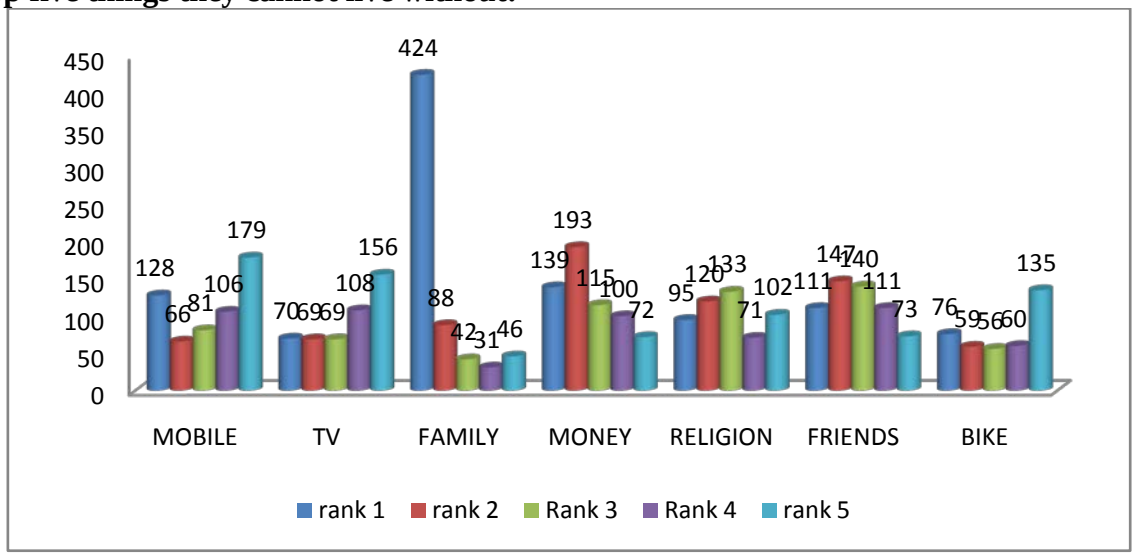
Still majority of the respondents consider that alcohol consumption is not a good idea. But the statistics is influenced by gender and religion of the respondents.

Factors considered while shopping:

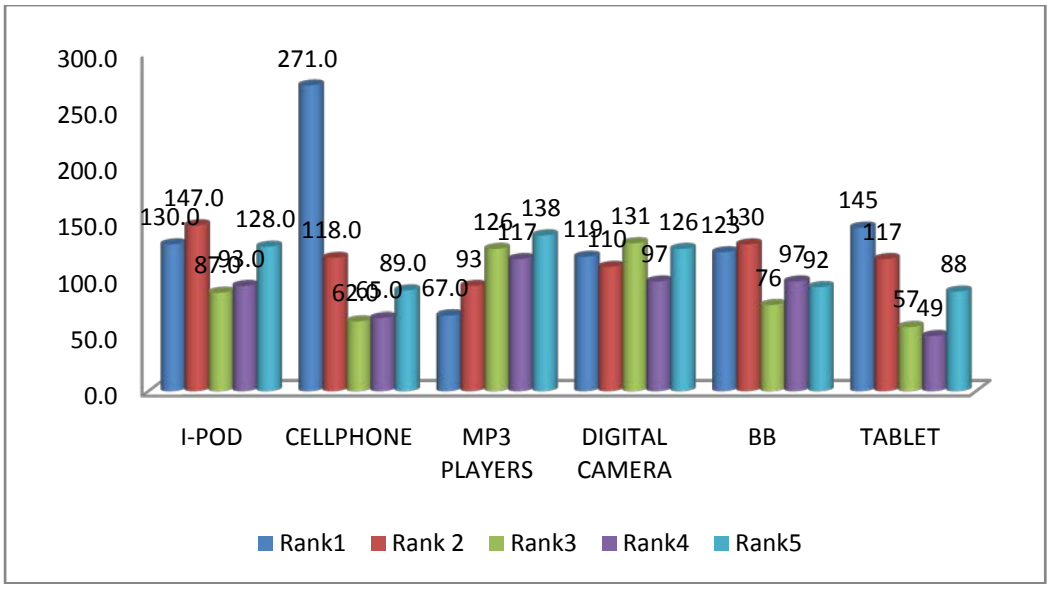


It is clear that affordability is the first thing comes to their mind while shopping, followed by sales and discounts, durability, brand image, multipurpose.

Top five things they cannot live without:

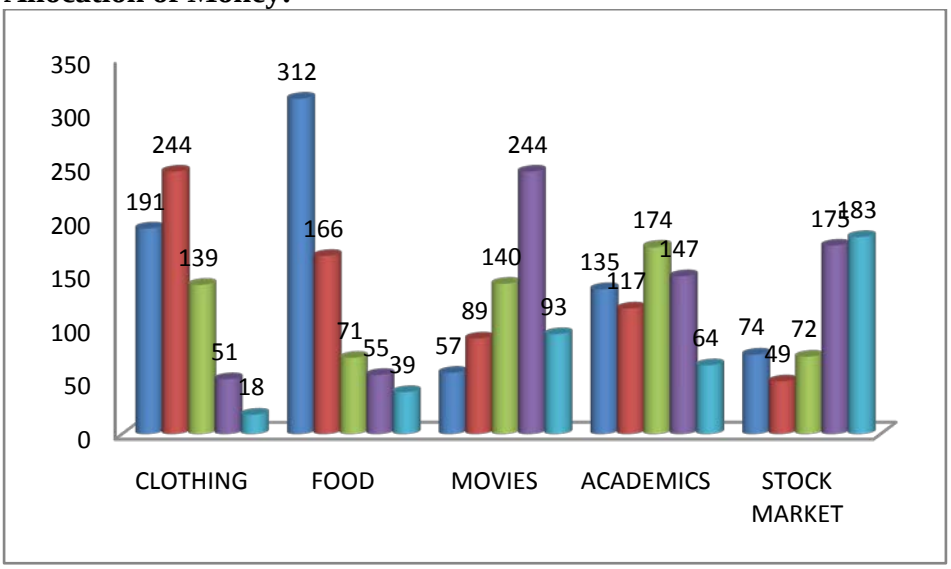


About 42% people consider that their family is priority for them and they cannot live without their family members. The second thing they cannot live without is money which is followed by mobile phones, friends, religion, bike and TV.



The most favourite electronic gadgets are their cell phone, which is followed by tablets, I-pods, Digital Camera. These gadgets are most liked. But craze for black berry phones and MP3 players follow after that.

Allocation of Money:



The respondents like to spend their money on food, the next favourite item for them is clothing where respondents want to allocate their money... The next thing in the list is education followed by stock market and movies. But these the figures are influenced by gender and part of state.

Findings & Discussion about Findings:

The purpose of this survey is to provide marketers of brands in Maharashtra with feedback on the positioning and performance of their communications from the youth.

This study may help the companies getting feedback about what the segment under study think and perceives their brand. Such kind of feedback is always bit difficult with regular market research. The study can give idea about their position in the minds of customer with respect to their competitors. The study also gives the framework of their thinking, lifestyle and demography. As traditional marketing research can give company insight about their brand or competitive brands but the study can give perception of the customers across different products and services. This can help in forming some mental e mind image or model to them region wise, age band wise, and gender wise picture of their life style and preference pattern.

This research project will help marketers in getting a qualitative insight abut segment studied which may help in forming a qualitative communication matter and to get rewarded for their effective communication plans for such big "segment of future customer".

There is flip side of this scenario. Indian youth is getting more and more ambitious which are created by media especially television, Bollywood movies and marketers can create social problems if their aspirations do not vent appropriately. It can create social unrest if the overheated ambitions are not fulfilled. As the fact and reality is different than what they think, it can breed the seeds of social unrest. If as a country we do not take advantage of demographic dividend the situation can become like any other African country. As the resources are limited- electricity, funds to ventures, alternative opportunities of employment, lack of multiple skills, less ethical role models, the same dividend can turn into nation of unsatisfied people.

The Lifestyle of individuals has always been of great interest to marketers. They deal with everyday behaviorally oriented facets of people as well as their feelings, attitudes, interests and opinion. A lifestyle marketing perspective recognizes that people sort themselves into groups on the basis of the things they like to do, how they like to spend their leisure time and how they choose to spend their disposable income. (Krishnan, 2011)

Looking at the aspirations of favorite car, bike it seems that the generation will further to consumerist society, a society that believes more on spending rather than saving. A low saving rate means low investment in fixed asset because of reduction in savings leading to less income.

The saving rate in the developed economy, particularly in Europe and USA, has declined significantly in the last decade. Not only had that household saving as a percentage of household disposable income also reduced. The economists over there said that the country is growing but it is a consumption driven growth. (Vaidya, 2014). If the generation becomes consumerist, it will be credit card driven economy. Because of which retail store will take off like anything. People will spend more on retailing and dump these things without probably using them. In a discussion with a respondent from ITES sector, he said that he goes the retail stores very often to reduce the stress accumulated over a period of week and buys same things again and again. Because more number of jobs outsourced, the trend of spending will increase. The production activity will bloom in full swing but the concern and question is this activity will start in India or somewhere else.

The present trend in Government policies show that it want to prompt middle class and people from rural area to become consumerist by spend more and consuming more, which is underlined from promotion plastic currency (debit and credit cards), breaking of tax concessions on several aspects, keeping borrowing rates low. The respondents will rely more on loans and credit cards like a reflection of what happened in USA before a decade.

There are two facets of the scenario. The optimistic view is that even though spending will be more and production does not take place domestically, almost all the products will come from

abroad. Looking at the population growth in the decade and levels of consumption by this population, the brands will rely on this population for consumption. The brands from developed countries and china will rely on India for the growth their economy leading to intense competition, better service and reduced rates.

Other facet is growing social problems because debt based economy. This case will become severe as united family system is getting abandoned and single or double child trend is continuing. As the consumption driven society is "Responsible Denying", the parents may face the problem of health related expenses. The earlier generation's saving may give a push for demand for gold and real estate. The older people will grow in number to more than 12% of population, according to India Census 2011.

When it comes to marketing to the youth, brands have to be tuned in to what they think, their ever-changing preferences and the trends that they follow.

Internet Usage:

It seems that the generation is a heavy user of social media and chatting services. The spent 24 minutes on an average on social networking specially Facebook (71%) and google+ (13.1%). Rests of the websites are still not capable enough to attract. They like to hangout on internet on their cell phones rather than internet café or college.

Chatting with friends is the activity where they spend their maximum time either through facebook or messenger services. To get connected with friends and getting the information is the need. But it also gives a sense of pride in front of group members, friends and family members-

Craze of viewing video when online is going down as very few of them are watching YouTube or related video sites. They like to watch video sites at late night when nobody is around there. Online games or video downloading is not so popular among youth today. Very few of them actually used for educational purpose or getting study notes. They also surf for selecting right career path and right career colleges for them. Reliance on internet is increasing in the generation right from time pass to spelling.

Online shopping is more popular in urban area (38%) as compared to rural area (29%). But because deeper penetration of internet and availability of cheap mobile handsets, the use will increase more in rural area. As young people from smaller cities in Vidarbha or western Maharashtra are engaged in online shopping. Though the amount spend is not high (up to 500) in some cases, but what is astonishing is the courage of online shopping. The most purchased articles are accesories like shoes, watches, belts in male while clothing, personal care products, beauty products and accessories are popular. Flipkart is the most popular website for online purchase (16.6%) followed by Snapdeal (5.7%), Myntra (3.3%), YEPME (2.1%). Cash on delivery had made life of youth more relaxing as they start to collect money after ordering the object.

Entertainment:

The concept of home entertainment is changing for this generation. Music channels are losing their position in the minds of customer. Discovery Channel, Sony TV, SAB TV, Zee TV, M-TV is the leading channels in male category. In female still family soaps i.e. serials are more popular and they prefer general entertainment. Star Plus, Sony TV, MTV, Zee TV, Discovery is favourites among female category. Regional channels have their own niche in the minds of respondents but Hindi channels are more popular. Bold channels are not very popular in rural part.

Comedy shows are the favourite and have maximum preference. It tends to make their mood light instead of watching serials which not very attractive for them or watching a one day match which may one day. The generation is becoming conscious about satisfaction in fewer efforts and time so they prefer comedy shows more, then music channels, movies and 20-20 cricket match. Gratification in less time is vibrant nature of the generation.

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FDI in retail a win-win for both host and home countries

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Widespread liberalization and deregulation of financial markets, cross-border mergers and acquisitions (M&As), increasing willingness of investors to invest abroad, rapid advances in modern telecommunication and computer network – have all resulted in a tremendous upsurge of international capital flows in India, particularly private capital flows. Among the various forms of foreign investment, foreign direct investment (FDI) flows are usually preferred over other forms of external finance because they are non-debt in nature, non-volatile and their returns depends on the performance of projects financed by the investors. In fact, FDI provides a win – win situation to both the host and the home countries. The 'home' countries want to take the advantage of the vast markets opened by industrial growth. On the other hand the 'host' countries want to acquire technological and managerial skills and supplement domestic savings and foreign exchange. Moreover, in order to overcome the deficiencies of all kinds of resources viz. financial, capital, entrepreneurship, technological know- how, skills and practices, access to markets-abroad - in their economic development, developing nations accepted FDI as a sole visible panacea for all their scarcities.

China is a glaring example of a country torn by tacking its population problem while trying to up lift their people economically. But the correct decisions of the Government on issues of foreign capital investment , among others , has risen to become the second largest economy of the world. Population , which was a considered a problem proved to be the most important tool for progress. China opened its economy to foreign investors long before India did and has reaped its benefits henceforth.

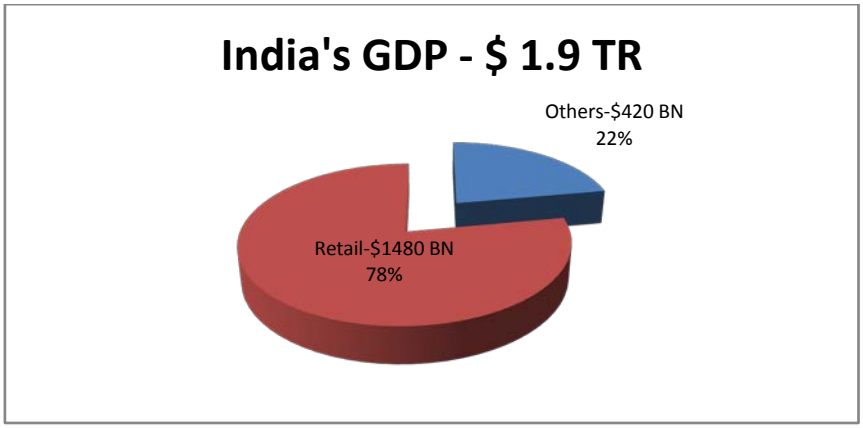
India's strength is in its growing middle class. A consumption driven economy like India's has the benefits of volumes . Be it the BOP (bottom of the pyramid) or the upwardly mobile middle class , consumers are spending and have a resumed confidence in their ability to earn. Since this strata , the BOP up-to a few levels above it, is the growing population it proves to be the REASON for THE WIN-WIN . HOW?

Foreign retail players are scrambling for the extra crumbs in their own countries as stagnation and in some cases recessionary trends have set in. The biggest growth potential is in the BRICS nations in general and in India in particular. The bourgeoning middle class can help them Grow – a luxury for them. All variables are in the favour of retailers dealing in essentials , lifestyle items , items , food grocery and other sustenance goods . Foreign players like Walmart ,Carrefore , Tesco , Target etc have an inherent strength of achieving Economies of Scale and keeping costs low. Bulk buying at drop down prices , in anticipation of demand is their business mantra. This Hugh Indian consumer class , if presented with value deals , could go a long way in achieving desired forecasts – may be even exceed anticipated demand.

Besides just the consumer chunk , it is also the stage of evolution in organised retail , that we are in , that could be a reason for a Win for them. Competition in organised retail is low . Foreign retailers could well be among the firsts to established formats in Front end and Backend never seen before. Front –end to amaze the customers and back in to support the front end.

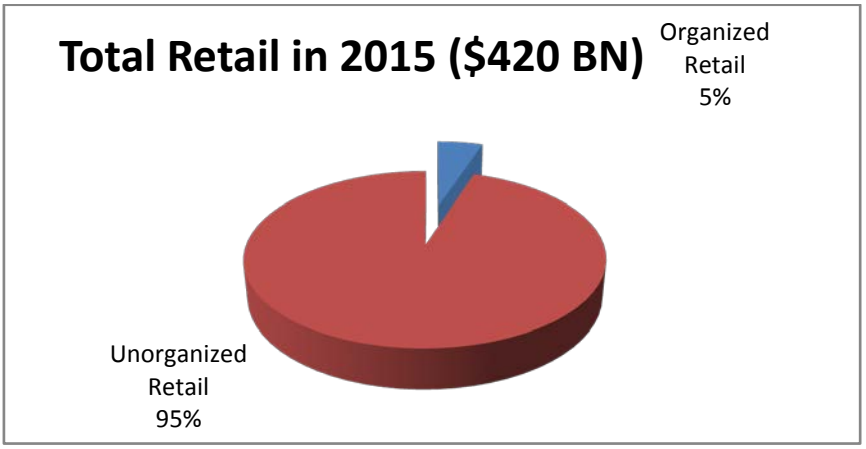
The sectors that are growing at a rapid pace include Healthcare , IT , Telecommunication & Retail .The contribution of organized retail to the Indian GDP is increasing at a much faster pace than the Economy . This would mean that Its contribution to the total GDP will progressively keep increasing.

The GDP of India presently is about $1.9 TR with the contribution of retail (Total = organized & unorganized) is about 22% ie. $ 420 BN. Graphically depicted below.

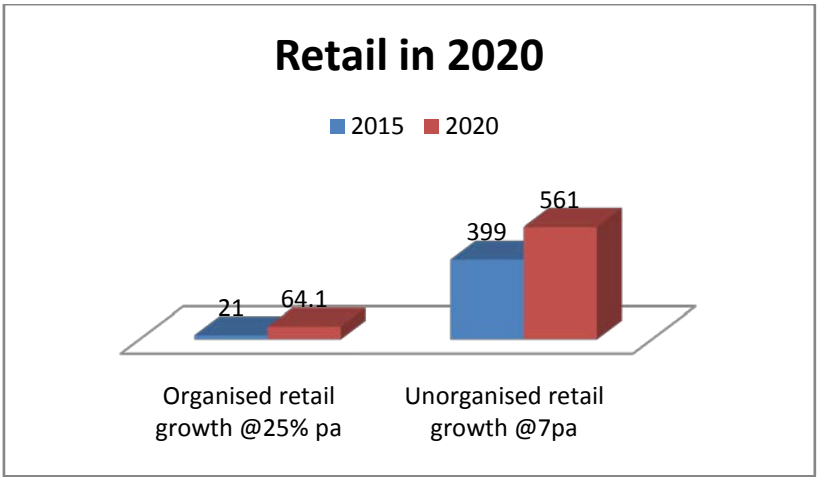


Research data shows that 95% of total retail is Unorganized retail and only about 5% is Organized retail. Organized retail or modern retail is usually chain stores, all owned or franchised by a central entity, or a single store that is larger than some cut-off point. The relative uniformity and standardization of retailing is the key attribute of modern retail. The size of each unit can be small so that a chain of convenience stores is modern retail. A single large department store is also modern retail.

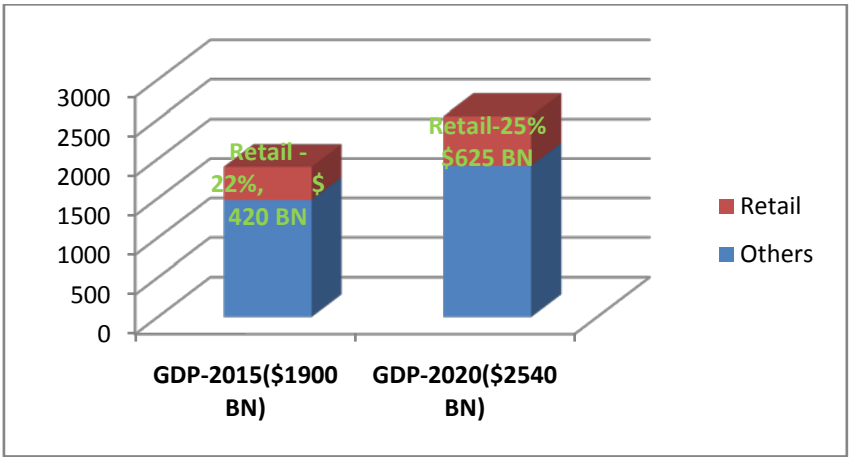
The Organised retailing refers to the trading activities undertaken by licensed retailers that is those who registered themselves for sales tax ,income tax ,etc.These include the corporate -backed hypermarkets and retail chains and also the privately owned large businesses.Whereas, Indian retail is dominated by a large number of small retailers consisting of the local kirana shops, owner-manned general stores, chemists, footwear shops, apparel shops, paan and beedi shops, hand-cart hawkers, pavement vendors, etc. which together make up the so-called "unorganized retail" or traditional retail.



The growth of Organised and Unorganized retail is expected to be compounded at 25% and 7% respectively. The figures for 2020 are graphically depicted below.



If the growth continues as predicted the scenario in 2020 would be as follows relative to the GDP. Here the GDP growth rate is taken as 6% pa



CHALLENGES Some of the key challenges faced by the sector are:

1) Shortage of skilled manpower - Front-end/retail assistant profiles in stores form a major proportion of the employment in the retail sector while store operations account for 75-80% of the total manpower employed in the organized retail sector. Unfortunately, there are very few courses specific to the retail sector and graduates/post graduates from other streams are recruited. Further, retail training opportunities such as niche courses for areas like merchandising, supply chain and so on are limited. The condition is more alarming in the unorganized sector where the manpower is not equipped with even the basic level of retail specific and customer service skills, which adds to their incompetence vis-à-vis the organized sector. A cohesive effort to develop skills within the sector can have a significant potential impact on productivity and competitiveness, both within the sector and on the wider economy.

2) Lack of industry status - Due to the absence of 'industry status', organized retail in India faces difficulties in procurement of organized financing and fiscal incentives. The Government should grant the much needed 'industry status' to the sector so that the sops that come with it help promote both big & small retailers.

3) Policy induced barriers – Organized retail in India is managed by both the Ministries of Commerce & Consumer Affairs. While the Ministry of Commerce takes care of the retail policy, the Ministry of Consumer Affairs regulates retailing in terms of licenses and legislations. There is a need to govern retail operations through a single apex body. A single agency can take care of retail operations more

effectively, especially with regard to addressing the grievances of retailers. The development of the retail sector can take place at a faster pace if a comprehensive legislation is enacted.
4) Real estate - Lack of sophisticated retail planning is another major challenge the sector faces. Available space is easily interchangeable between commercial and retail use. In most cities, it is difficult to find suitable properties in central locations for retail, primarily due to fragmented private holdings, infrequent auctioning of large government owned vacant lands and litigation disputes between owners.
5) Back – end infrastructure – This includes developed technology in farming for maximising output as well as improving quality of produce. Also the country is woefully short of warehousing and stacking of products and produce. About 15% of all perishable commodities rot and get wasted due to improper and inadequate warehousing. Besides , cold storage and transportation has to develop adequately to support the front-end.

The Expected Impact of different Stakeholder groups
Impact on Unorganized Retailers
• Unorganized retailers in the vicinity of organized retailers experienced a decline in their volume of business and profit in the initial years after the entry of large organized retailers.
• There was no evidence of a decline in overall employment in the unorganized sector as a result of the entry of organized retailers.
• The rate of closure of unorganized retail shops in gross terms is found to be 4.2 per cent per annum which is much lower than the international rate of closure of small businesses.
• The rate of closure on account of competition from organized retail is lower still at 1.7 per cent per annum.
• There is competitive response from traditional retailers through improved business practices and technology upgradation.
• A majority of unorganized retailers is keen to stay in the business and compete, while also wanting the next generation to continue likewise.
• Small retailers have been extending more credit to attract and retain customers.
• However, only 12 per cent of unorganized retailers have access to institutional credit and 37 per cent felt the need for better access to commercial bank credit.
• Consumers have definitely gained from organized retail on multiple counts.
• Overall consumer spending has increased with the entry of the organized retail.
• While all income groups saved through organized retail purchases, the survey revealed that lower income consumers saved more. Thus, organized retail is relatively more beneficial to the less well-off consumers.
• Proximity is a major comparative advantage of unorganized outlets.
• Unorganized retailers have significant competitive strengths that include consumer goodwill, credit sales, amenability to bargaining, ability to sell loose items, convenient timings, and home delivery.

Impact on Intermediaries
• A study did not find any evidence so far of adverse impact of organized retail on intermediaries. • There is, however, some adverse impact on turnover and profit of intermediaries dealing in products such as, fruit, vegetables, and apparel.
• Over two-thirds of the intermediaries plan to expand their businesses in response to increased business opportunities opened by the expansion of retail.
• Only 22 per cent do not want the next generation to enter the same business.

Impact on Farmers
• Farmers benefit significantly from the option of direct sales to organized retailers.
• Average price realization for cauliflower farmers selling directly to organized retail is about 25 per cent higher than their proceeds from sale to regulated government mandi.

• Profit realization for farmers selling directly to organized retailers is about 60 per cent higher than that received from selling in the mandi.
• The difference is even larger when the amount charged by the commission agent (usually 10 per cent of sale price) in the mandi is taken into account. Impact on Manufacturers
• Large manufacturers have started feeling the competitive impact of organized retail through price and payment pressures.
• Manufacturers have responded through building and reinforcing their brand strength, increasing their own retail presence, 'adopting' small retailers, and setting up dedicated teams to deal with modern retailers.
• Entry of organized retail is transforming the logistics industry. This will create significant positive externalities across the economy.
• Small manufacturers did not report any significant impact of organized retail.

Impact on Consumers

- Healthy competition will only push all retailers and manufactures to improve quality and value.
- The Indian consumer will have access to a larger variety of quality products which is not the case.
- Consumer service is also bound to improve .
- The shopping experience is also a huge benefit to Consumers

Impact On Society

- Employment Generation is probable one of the biggest advantage of FDI in retail for India

The 51% FDI which is allowed in Multi-brand retail and 100% FDI in Single-brand retail , has certain conditions which would help the county at large.

- The rider of a Minimum of $100 MN investment ensures that there is substantial investment and on making such investment , it will be in the Retailers interest to stay invested in the business
- 50% of investment to be made in Back-end infrastructure – this will help India get technology and knowhow , besides investment , on much needed fronts like 'Farming' , Cold storage, Transportation & warehousing.
- Only Upto 50 % of profits to be allowed to be repatriated. A plough back of money for sustained growth is thereby ensured.

The Host Countries have the following advantages:

- As mentioned above , the biggest advantage is the burgeoning middle class and thus the growth in consumer consumption. Makes it imperative for companies of the host countries as customer base and consumer spending has hit the ceiling in the home countries.
- Access to Cheap Labor can help companies keep their costs under control and maintain margins
- A Long Term advantage can be developed creating a sourcing hub in India to cater to neighbouring countries

Conclusion:

The best approach to Global Economic progress is a Win-Win one. FDI In Retail , as explained and proven, could be a panacea for many a problems in countries the world over. A progressive outlook that encourages and embraces competition works best to create economic vibrancy , inclusive growth and symbiotic relationship to help the peoples of the world.

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Impact of Social Networking Websites on Academic Performance of Students

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ABSTRACT

Increased availability of Internet Enabled handheld devices such as Smart Phones and Tablets have meticulously increased access and use of Internet by students of all age groups. The use of Social Networking Websites(SNWs) is dramatically increased due to the facility of easy access of Internet on these handheld gadgets. It's a well known fact that due to enhancement of Information and Communication Technology (ICT), SNWs have gained wide acceptability and become the most frequently used mean of communication by students. The use of this hodgepodge of SNWs has varied effects on the user's life, both, positive and negative! This research paper is an endeavor to study and analyze the impact of using SNWs on academic performance of netizen students studying in Pune City.

Keywords— Social Networking Websites, Netizen, Academic Performance

I. INTRODUCTION

Information and Communication Technology (ICT) has several features and effective tools. Speedy contact and leisure are the most vital traits of the ICT. Now a days, accessing Social Networking Websites (SNWs) on smart-phones and tablets has become very popular. Of course, SNWs are still accessed on personal computers. It is not just a necessity but has become fashion of maintaining at least one profile on a SNWs. Whilst number of such websites, facebook.com and instagram,com are two important SNWs used by netizens. Especially, students are seen consistently working on it. But, does this fashion of using SNWs really helps users to gain their desired goals? It is still a question that needs to be answered nicely and properly. The researchers decided and carried out a genuine research on this contemporary custom of using SNWs for communication and also to evaluate whether it truly helps the students studying at different levels or not? It is primarily found out that the students mostly use the SNWs for entertainment and communication purpose. Let's try to understand what all results this short study has shown and helped the researchers to author this research paper. It is absolutely the need of the hour to conduct a research project at National level to understand the same effects and finding out potentials measures to reduce or at least minimize the bad effects of them, if any and also promoting good effects, for success of students.

II. REVIEW OF LITERATURE

In this section, the researchers can also imagine that some of Brin's predictions might come to play. Already, youthful marijuana use has become a relatively unimportant issue in U.S. politics. But there is an important point here: Most of the relatively embarrassing revelations about the youthful behavior of politicians came to light only through a massive effort by reporters after the person was already established as a national figure. That level of exposure, at earlier rungs in the civic ladder, might have a drastic constricting effect. Many people may be simply "filtered out" very early in their career, before they are important enough to embarrass specifically. Post hoc revelations by investigative reporters certainly do harm to some political and civic leaders, but contemporaneous filtering at low levels made possible by these sites may dramatically shrink the pipeline or drastically

alter the characteristics of those who make it through, Firms may refrain from hiring students whose book preferences are outside a band of acceptability.

Will a boss assume that a job applicant whose favorite books are 1984 and Brave New World is rebellious and not worth the risk of hiring? Will a parent's political preference field in his or her college profile be brought up in school board elections? Will this mean that only those whose expressed preferences are acceptably bland can rise through corporate or civic ranks? Another important consequence has been an explosion in what I call "grassroots surveillance" or peer monitoring, which has undergone a profound change because of these sites.

Young people (and older people for that matter) have always been interested in what each other are doing, reading, listening to, fighting with, dating, and so on. However, much of that information is now available with the click of a mouse, in a searchable, archived, prominent format, Social networking the reviews may contain several types of electronic evidence, including profile pages, posts, private e-mail messages, chats, photographs, and video. Profiles pages, posts, messages, and chats sometimes contain distinctive characteristics that allow for authentication. This evidence must be in the specific communication at issue and distinctive enough to show who authored the communication. If the evidence does not contain distinctive characteristics, the court will require additional foundational evidence for authentication, such as testimony of a witness with knowledge or testimony from a computer expert. Proper foundational evidence will help the proponent of the evidence properly authenticate evidence from social networking sites, due to the limited amount of existing research on SNWs, this study was developed in a two-step approach which involved incorporating early qualitative findings into the research design in the latter stages, a related but somewhat different division: between social and non-social uses, between the expressive Internet and the instrumental Internet.

By the expressive Internet, means the practice and performance of technologically mediated socialite, gender remains a strong pivotal point. Although access and total amounts of use have converged between genders, strong divergences in modalities of use, in self-perceived and real skill levels, and in attitudes remain, there have already been many cases reported in the media about negative consequences stemming from SNWs posts, ranging from denied diplomas to lost jobs, there have already been many cases reported in the media about negative consequences stemming from SNS posts, ranging from denied diplomas to lost jobs, the tendency of an individual to join a community is influenced not just by the number of friends he or she has within the community, but also crucially by how those friends are connected to one another.

The researchers use decision-tree techniques to identify the most significant structural determinants of these properties. The researchers also develop a novel methodology for measuring movement of individuals between communities, and show how such movements are closely aligned with changes in the topics of interest within the communities; the crucial point that the researchers are focusing on networks where the members have explicitly identified themselves as belonging to particular groups or communities — the researchers are thus not seeking to solve the unsupervised graph clustering problem of inferring "community structures" in a network, since for us the relevant communities have been identified by the members themselves for better usage of SNWs in the field of education and to improve academic performance of students,

III. RESEARCH DESIGN AND METHODOLOGY

A. Research Design:

This research study will use Cross-Sectional Research Design for the Students likes SSC Students, HSC Student, Graduation Students, Post-Graduation Student & All Education Societies. This research designed for the student of Pune city only under Descriptive research design category which comes under Conclusive Research.

It is becoming an increasingly popular trend to have a profile on facebook, instagram, twitter etc.

According to the collected information, we got the result that the output or the reviews of students are not the same everywhere regarding the impact of SNWs on their academic performance. Some are having positive approach towards the SNWs but many of them are having negative responses. This is

because usually students of small age group get more addicted to these SNWs easily and then they lack interest in the studies or other activities.

But it's not the same with other students, the one who use it in a proper way they aren't addicted to this applications and they won't suffer from any physical or mental disorder. As the data or information gathered from the students we can make a conclusion that its result cannot be static because the effect keeps on changing from person to person.

B. ***Methodology:***

B.1 SAMPLING DESIGN

Population: About 1 lakh (Pune city)
Sample frame & unit: Youth
Sample size: 354
Sampling Method: Simple random Deliberate / Purposive
Research Type: Exploratory research
Area Covered: Pune City

B.2 OBJECTIVES

Following are the objectives:
1. To evaluate the impact of SNWs on academic performance of students.
2. To know whether students are addicted to use SNWs.

B.3 HYPOTHESIS

Following are the hypothesis:
H_1: There is a positive impact of SNWs on academic performance of students.
H_2: Students are addicted to use SNWs.

IV. DATA PRESENTATION, ANALYSIS AND INTERPRETATION

A. Data Presentation and Analysis:

A.1 Gender-wise Respondents

Gender	No. of Respondents	Percentage
Male	192	54%
Female	162	46%
Total	**354**	**100%**

TABLE A.1: GENDER-WISE RESPONDENTS

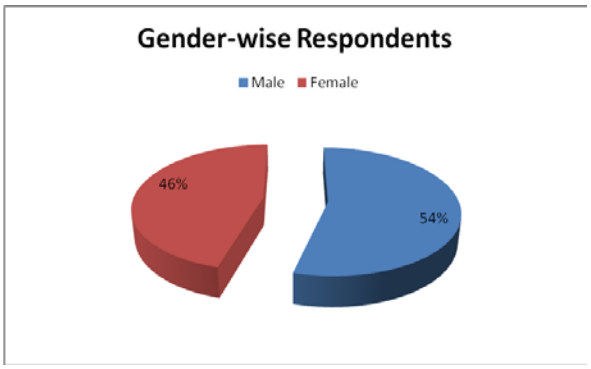


Chart A.1: Gender-wise Respondents

A.1 : INTERPRETATION

From Table No. A.1 and Chart. No. A.1 it is observed that there are total 192 (54%) male respondents and 162 (46%) female respondents. Therefore, it can be interpreted that there are more male users who use SNWs as compared to female users. The access to female users of SNWs is less than male users.

A.2 Age-group-wise Respondents

Age-group	No. of Respondents	Percentage
16-18	65	18%
18-20	73	21%
20-22	102	29%
22-Above	114	32%
Total	**354**	**100%**

TABLE A.1: AGE-GROUP-WISE RESPONDENTS

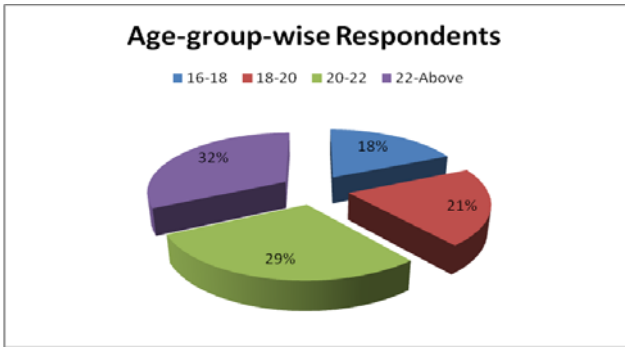


Chart A.2: Age-group-wise Respondents

A.2 : INTERPRETATION

From Table No. A.2 and Chart. No. A.2 it is observed that there are total 65 (18%) respondents belonging to age-group of 16-18, 73 (21%) respondents belonging to age-group of 18-20, 102 (29%) respondents belonging to age-group of 20-22 and 114 (32%) respondents belonging to age-group of 22 and above.

The age-group of 22 and above is the most frequently using age group of SNWs and the age-group of 16-18 is the age-group that uses SNWs the least. Still there is not a huge difference seen/observed.

A.3 Education Qualification-Wise Respondents

Education Qualification	No. of Respondents	Percentage
S.S.C.	21	6%
H.S.C.	36	10%
Undergraduate	119	34%
Post-Graduate	178	50%
Total	**354**	**100%**

TABLE A.3: EDUCATION QUALIFICATION-WISE RESPONDENTS

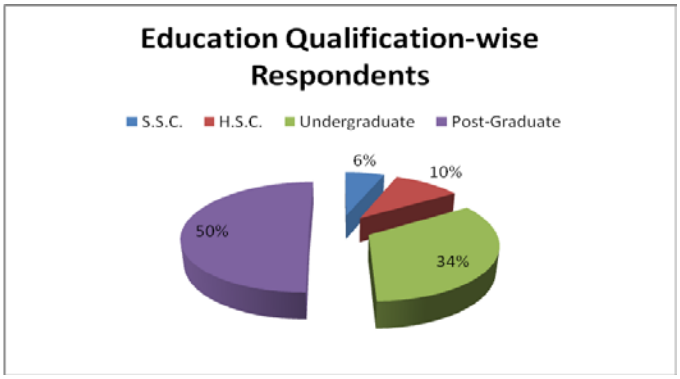


Chart A.3: Education Qualification-wise Respondents

A.3 : INTERPRETATION

From Table No. A.3 and Chart. No. A.3 it is observed that there are total 21 (6%) respondents who are S.S.C., 36 (10%) respondents who are H.S.C., 119 (34%) respondents who are Undergraduates and 178 (50%) respondents who are Post-graduates.

The SNWs are mostly used by Post-graduate respondents and respondents who are S.S.C. are the least users of SNWs.

A.4 Most Popular SNW among Students

Name of SNW	Favorite	Favorite%
Facebook.com	331	94.00%
Instagram.com	11	3.00%
Twitter.com	7	2.00%
Google+	5	1.00%
Total	**354**	**100%**

TABLE A.4: MOST POPULAR SNW AMONG STUDENTS

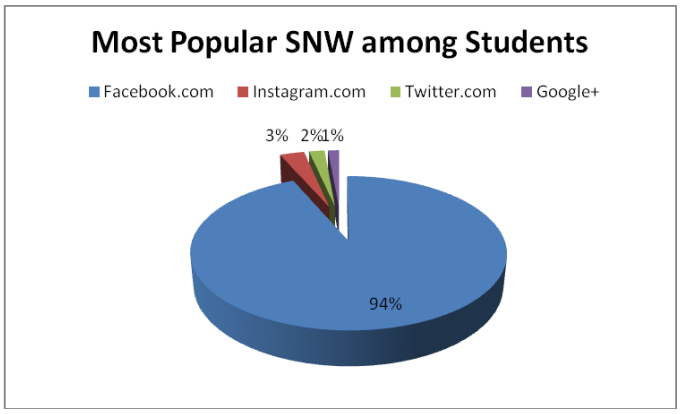


Chart A.4: Most Popular SNW among Students

A.4 : INTERPRETATION

From Table No. A.4 and Chart. No. A.4 it is observed that there are total 331 (94%) respondents who said that Facebook.com is their most favorite SNW whereas only 5 (1%) said Google+ is their favourite SNW.

It means the most popular SNW is Facebook.com whereas the least popular is Google+ among students of Pune city.

B. ***Hypothesis Testing***

H_1: There is a positive impact of SNWs on academic performance of students.

Type of Impact	Impact
Negative	27.00%
Positive	33.00%
Mixture of both	27.00%
Not aware	13.00%
Total	**100%**

TABLE B.1: IMPACT OF SNWS

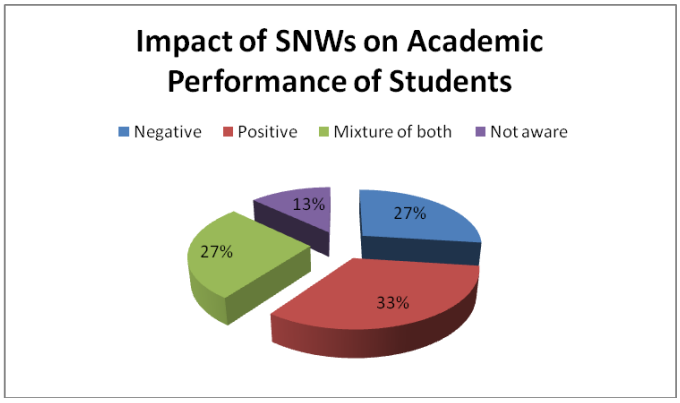


Chart B.1: Impact of SNWs on Academic Performance of Students

The first hypothesis of the research is "**There is a positive impact of SNWs on academic performance of students**".

H0 Null Hypothesis : 50% or less students have agreed that there is a negative (not positive) impact of SNWs on their academic performance (H0: p<=0.50)
H1 Alternate Hypothesis : >50% students have agreed to have a clearly positive impact of SNWs on their academic performance (H1: p>0.50)

This hypothesis has been tested by using the awareness of impact of SNWs on students' academic performance. To study this, the parameters such as student's age, gender and education qualification were considered. It is seen the majority of the students (33%) are clearly said that there is a positive impact of SNWs on their academic performance.
However,

Respondents	Sample Size	Proportion who said 'Yes'	Standard Error	z-statistics
Students	354	0.33	1.1755758	1.631

TABLE B.2: HYPOTHESIS 1 TESTING

As the sample size is >=30, therefore normal approximation is satisfied. In this case, Z-test and as one proportion is involved. Z statistics of awareness of professional networking is 1.631 which is <1.64, hence accept null hypothesis and reject alternate hypothesis both at 5% level of significance. Thus, it is seen that there is a negative impact of SNWs on academic performance of students and hence the **hypothesis of the study is rejected**.

H_2: Students are addicted to use SNWs.
The second hypothesis of the study is "**Students are addicted to use SNWs**".
H0 Null Hypothesis : 95% or more students feel they are addicted to use SNWs.
(H0: p>=0.95)
H1 Alternate Hypothesis : <95% feel said they are addicted to use SNWs.
(H1: p<0.95)

This hypothesis has been tested by using number of students agreed that they are addicted to use SNWs. To study this, the parameters such as citizen's age, gender and education qualification were considered.

Respondents	Sample Size	Proportion accepted they are addicted to use SNWs	Standard Error	z-statistics
Students	354	97.89	1.1755758	0.7424869

TABLE B.3: HYPOTHESIS 2 TESTING

As the sample size is >=30, therefore normal approximation is satisfied. In this case, Z-test and as one proportion is involved. Z statistics of accepted they are addicted to use SNWs is 0.7424869 which is <1.64, hence accept null hypothesis at 5% level of significance. Thus, it is seen that "Students feel that they are addicted to use SNWs" and hence the **hypothesis of the study is accepted**.

V. FINDINGS AND SUGGESTIONS

A. *Findings*

It is learned from the analysis of data and interpretations that;

1. There are total 192 (54%) male respondents and 162 (46%) female respondents; means, there are more male users who use SNWs as compared to female users.
2. The access to female users of SNWs is less than male users.
3. The age-group of 22 and above is the most frequent and avid age group of SNWs and the age-group of 16-18 is the age-group that uses SNWs the least.
4. The SNWs are mostly used by Post-graduate respondents and respondents who are S.S.C. are the least users of SNWs
5. More than 50% students are negatively impacted by using SNWs but still there seems to have little positive impact on academic performance of students, such as speedy solution to queries, wide sharing of data etc.
6. Students are addicted to use SNWs.
7. The most popular SNW is 'Facebook.com' and the least popular is 'Google+'.

B. *Suggestions*

1. Students must be self-disciplinary and smart to use the SNWs so that they can save their most valuable time.
2. It is significantly recommended that family members and friends must guide time-to-time to students so that there usage of these SNWs is minimal and studies are improved.
3. Colleges and educational institutes must regularize unnecessary excessive usage of SNWs by their students.
4. This SNWs must be used for constructive academic activities such as research, knowledge sharing in the form of text, notes, audio-visual academic contents etc. and the usage of SNWs should be positively promoted for betterment of the future generation of responsible citizens of the Nation.

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An empirical study: Influence of Corporate Social Responsibility activities undertaken by FMCG companies towards the loyalty of organized retail customers of Pune city

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ABSTRACT

The concept of community concern of business widely known as 'Corporate Social Responsibility' (CSR) is by no means a recent phenomenon, but as businesses going global encouraged this phenomenon.

India has a rich history of CSR, which was earlier known as social duty or charity. The social cause of attention in the form of societal marketing gained an importance in their respective field of business. As the form of business evolved from the concept of barter arrangement to the new era of marketing, the basic objectives of a business remained the same.

Purpose: The purpose of the study is to understand the concept of CSR and the recent developments in the FMCG companies with special reference to CSR activities. This paper examines how FMCG companies view CSR practices. Also how consumer reacts towards these CSR activities and its impact on their loyalty towards certain brands.

Methodology: This research paper is exploratory in nature. The primary data is collected through one on one interview using structured questionnaire. The target population covered is organized retail customers. The content analysis technique is used to analyze the secondary data to access the CSR practices of FMCG companies.

Findings: The main finding of the study of this research paper reflects the business strategy of FMCG companies. The key finding of a paper denotes the impact of CSR practices of FMCG companies on the minds of consumer loyalty.

Practical aspects: The study includes 20 organized retail outlets covering 300 consumers responding the structured questionnaire.

Key words: Corporate Social Responsibility, FMCG and CSR, Retail Sector, Customer Loyalty.

Introduction

The concept of community concern of business widely known as 'Corporate Social Responsibility' (CSR) is by no means a recent phenomenon, but as businesses going global encouraged this phenomenon. Business philanthropy viewed as the indicator of CSR is no longer considered an adequate response to demands for social responsibility. The concerns about environment, society/community and human rights included in the CSR activities. The definition of CSR, therefore, is still being debated and there is no agreement among academicians or experts. But according to CSR whatever the definitions made, the basic idea is to recognize the business as part of society.

The main objective of this research paper is to comprehend the recent developments in the CSR initiatives in Indian FMCG sector. This paper also examines how FMCG sector view CSR practices and its impact on the customer loyalty. Researcher used primary and secondary data to draw the observations based on the objectives mentioned above. The comprehensive investigation was done through gathering relevant primary as well as secondary data. The primary data was collected by using structured questionnaire responded by 300 consumers of 20 organized retail outlets of Pune city.

CSR – Concept and definitions

CSR has identified as corporate morality, corporate citizenship, social enactment, and sustainable responsible business. The academicians, business corporates, social associations and government tried to define CSR as a single term, but failed. Through this diverse understanding and interpretation CSR's scope has evolved and grown. Businesses should be responsible for their social and environmental impacts and should seek to accomplish and monitor those impacts accordingly.

During this phase, the role of industry intervention in the society has changed drastically. Now this role is influenced by various external as well as internal factors such as local and international socio-political moments, change in the perceptions of the consumers and changes in the media intervention. The term Corporate Social Responsibility (CSR) defines how a company carries out its business in a socially acceptable method and that it is responsible for its effects on all of its stakeholders, like customers, stakeholders, employees, suppliers, channel partners, investors, and society including the environment. Within the company, CSR includes issues related to human resources, health and safety, management of environmental impacts and natural resources. Issues of CSR relating to the company's connection with the outside domain include communities/society, government, business partners, suppliers and consumers, human rights, and global environmental concerns.

CSR traces its ideology way behind as the "The Social Contract Theory"(Chatterjee, 2012)[1], where the people enter in a contract and have certain obligations and duties when they live together as a society. In this contract which is not actually penned down on a paper, they live with an objective in the interest of the well-known 'greater good' than the personal interest.

Two competitors engaged in a same line of business in a particular area. Both organizations are working towards their modern business objectives viz. Profit maximization and Customer satisfaction. But it was observed that one organization is excelling in the business than other due to its devotion towards social cause. The organization excelling its business is due to well accepted organization by the people of the society. This constitutes its social responsibility towards the common people of the particular area.

Ever since the conceptualization of the term business, it has gone through various stages with a view of generating profits and customer satisfaction. To achieve the defined objectives, organizations adopted various marketing concepts like Exchange (barter) Concept, Product Concept, Production Concept, Sales Concept, Marketing Concept, Societal Concept and Customer Relationship Management Concept. But ultimately social cause stands out prominently from all of the marketing concepts.

In general, Corporate Social Responsibility policy would function as a built-in, self-regulating mechanism whereby business would monitor and ensure their adherence to law, ethical standards, and international norms for the business organization. Any business organization leaves its impact of their activities on the internal and external factors like environment, consumers, employees, stakeholders, communities and other members of the society. Corporate Social Responsibility would hold the business organization for encouraging the overall community growth and reducing the gap in the society.

[1]Chatterjee, D. B. (2012). *Sustainable Futures - Imerative for Managing the Social Agenda.* Chennai: Notion Press.

Corporate Social Responsibility is also known as Corporate Responsibility, Corporate Citizenship, Responsible Business, Sustainable Responsible Business (SRB) or Corporate Social Performance. (Ref. http://en.wikiped ia. org/wiki/Corporate_social_responsibility) Corporate social responsibility (CSR) has become indispensable in modern business discourse. Although such contestation is not uncommon with concepts found in the social sciences, for CSR it presents some difficulty for theoretical and empirical analysis. On the other hand, it seems unfeasible that the diversity of issues addressed under the CSR umbrella would yield to a singular universal definition. Gallie, an eminent philosophical scholar, proposed the essentially contested concepts (ECC) theory in 1956 to address concepts that by their very nature engender perpetual disputes. He pointed out that there are certain concepts which by their very nature are inevitably contested and prescribed seven criteria for evaluating such concepts. (Ref. journal of Business Ethics - Article titled: Theorizing Corporate Social Responsibility as an essentially

Contested Concept: Is a Definition Necessary, Publisher: Springer Netherlands, Published online on 8th January, 2009)

Corporate social responsibility (CSR) has variously been described as a "Motherhood issue' (Ryan 2002, p. 302) 'the hot business issue of the noughties' (Btyth 2005, p. 30) and the talk of the town in corporate circles these days (Mees& Bonham 2004). There seems to be an infinite number of definitions of CSR, ranging from the simplistic to the complex, and a range of associated terms are ideas (some used interchangeably), including 'corporate sustainability, corporate citizenship, corporate social investment, the triple bottom line, socially responsible investment, business sustainability and corporate governance' Prime Minister's Community Business Partnership). It has been suggested that 'some...researchers...distort the definition of corporate social responsibility or performance so much that the concept becomes morally vacuous, conceptually meaningless, and utterly unrecognizable'(Orlitzky 2005); or CSR may be regarded as 'the panacea which will solve the global poverty gap, social exclusion and environmental degradation' (Van Marrewijk 2003).

CSR in India

There is little documentary evidence about the CSR activities undertaken by the Indian companies in the initial period of trade. Indian business shown concerns towards society right from the beginning as the country's economy is socialist one. Some of the customary traders initiated the native industrialization in India long back in the first few decades of 19th century. During this period, traders believed in Gandhian philosophy introducing trusts. The trusts then worked towards the interest of community. They contributed and supported social cause to support schools, colleges and hospitals and rural development along side of their main business purpose (Mohan 2001)[2].

As Indian economy moved forward towards more of industrialization, the apprehensions of business proposition and social cause were discussed. The activities undertaken under the CSR by the companies during this period has made CSR as a part of their important strategy.During IIC (India International Center) conference held at New Delhi in the year 1966, it was stated that social responsibility of an enterprise is responsible to itself, its customers, workers, shareholders and the community (IIC 1966)[3].

JRD Tata who always felt that there is a great deal of importance to go beyond in which business organization can contribute to community welfare beyond the scope of their normal activities. He advocated contributing funds to good causes through direct relief and rebuilding methods. At a sluggish pace Indian business organizations believed in his theory by supporting education, medical

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facilities, etc. The important change at that time was that industry accepted social responsibility as part of the management of the enterprise itself. The community development and social welfare program of the premier Tata Company, Tata Iron and Steel Company was started the concepts of "Social Responsibility"(Mishra R. P., 2013)[4] .

According to Infosys founder, Narayan Murthy, "social responsibility is to create maximum shareholders value working under the circumstances, where it is fair to all its stakeholders, workers, consumers, the community, government and the environment." The 2001 State of Corporate Responsibility in India Poll‖, a survey conducted by Tata Energy Research Institute (TERI), the evolution of CSR in India has followed a chronological evolution of 4 thinking approaches:

1. Ethical Model (1930 – 1950)
2. Statist Model (1950 – 1970s)
3. Liberal Model (1970s – 1990s)
4. Stakeholder Model (1990 – Present)

According to various studies and the research orientations about the CSR in India and its development, India has undergone four phases of CSR developments (Tatjana Chahoud, 2007)[5].

The phases are mentioned below:

Four phases of CSR development in India			
Phase 1	**Phase 2**	**Phase 3**	**Phase 4**
Pure philanthropy and charity during industrialization	CSR as social development during the independence struggle	CSR under the "mixed economy" paradigm	CSR in a globalized world in a "confused state"
Source: (Tatjana Chahoud, 2007)			

In the first phase of CSR development in India, it was largely determined by the business organizations under the influence of charity, religion, customs and industrialization. Gandhian philosophy and trusteeship lead the second phase of CSR development during the freedom struggle. During the third phase CSR development took place under the strict legal regulations on the PSUs and private organizations. After 1980s till present, the CSR activities are focused on the overall development of multi stakeholder and become a coherent business strategy.

As per the study by Arora and Puranik(Arora, 2004)[6] India still is in confused state which is apparent from the following observations:Understanding about CSR in India is shifting from philanthropy concerns to sustainable business.

[4](Mishra R. P., 2013)

Mishra, R. P. (2013). A Study of Corporate Social Responsibility in Indian Organization: An-Introspection. *International Business Research Conference.* Toronto, Canada: Ryerson University.

[5]Tatjana Chahoud, J. E. (2007). *Corporate Social and Environmental Responsibility in India – Assessing the UN Global Compact's Role.* Bonn: Deutsches Institut für Entwicklungspolitik.

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Arora, B. a. (2004). A Review of Corporate Social Responsibility in India. *Development: Journal of the Society for International Development*, *47*(3), 93-100.

- Society development plays an important role in India's companies CSR agenda.

Although the CSR is an activity which is essentially for the responsible corporates, the Indian government is actively involved in policy framing under the companies act. The companies act is regularly modified under the scrutiny of Ministry of Commerce and Ministry of Corporate Affairs.

Companies Act in India and CSR

After almost 60 years the Companies Act 1956 (1956 Act), on 29th August 2013, this act was amended to improve corporate governance and simplify regulations. Rule based legislation containing 470 sections formed under the Companies Act 2013. Under this amended act, CSR is one of the important areas which profess spending of the corporate houses on the socially concerned activities. Spending underneath CSR activities has been included in the law in this act.

- Section 135 of the 2013 Act states that every company having:
  - net worth of Rs 500 crore or more, or
  - turnover of Rs 1000 crore or more ,or
  - net profit of Rs 5 crore or more during any financial year

Shall constitute a Corporate Social Responsibility Committee of the Board

- The committee would comprise of three or more directors, outof which at least one director shall be an independent director
- The mandate of the said CSR committee shall be:
  - to formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
  - to recommend the amount of expenditure to be incurred on the activities referred to above;
  - to monitor the Corporate Social Responsibility Policy of the company from time to time
- The Board of every company referred to above shall after taking into account the recommendations made by CSR Committee:
  - approve the CSR Policy for the company and disclose contents of such Policy in its report and also place it on the company's website, and
  - ensure that the activities as are included in CSR Policy of the company are undertaken by the company, and
  - ensure that the company spends, in every financial year, at leasttwo per cent of the average net profits
- If the Company fails to spend such amount, the Board shall, inits report specify the reasons for not spending the amount
- "Average net profit" shall be calculated in accordance with theprovisions of section 198 of the 2013 Act

CSR activities to include:

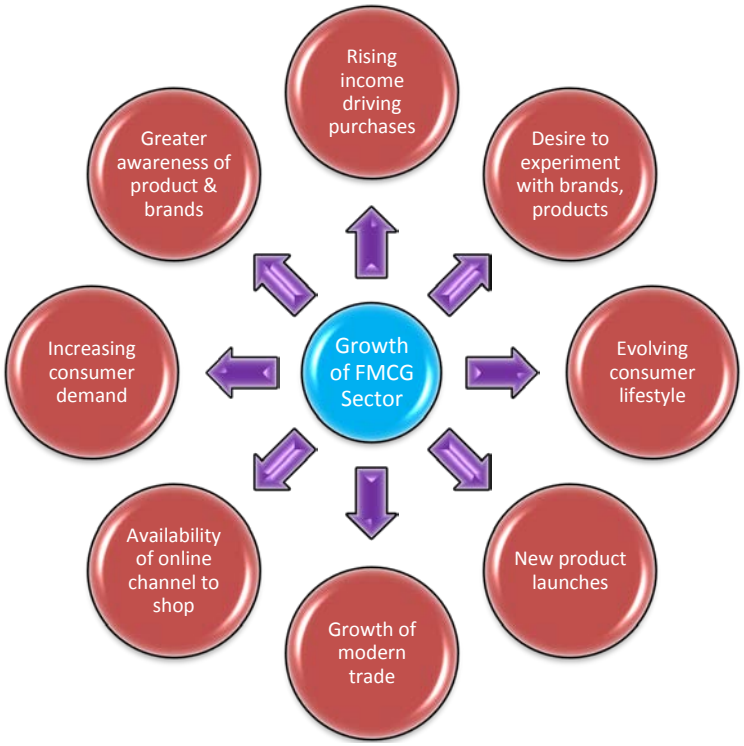
- eradicating extreme hunger and poverty
- promotion of education
- promoting gender equality and empowering women
- reducing child mortality and improving maternal health
- combating human immunodeficiency virus, acquired
- immune deficiency syndrome, malaria and other diseases
- ensuring environmental sustainability
- employment enhancing vocational skills
- social business projects
- 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 funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
(Source: http://www.mca.gov.in/MinistryV2/companiesact.html, http://www.mca.gov.in/Ministry/pdf/CompaniesAct2013.pdf, http://www.mca.gov.in/Ministry/pdf/Producer_Company.pdf, http://www.mca.gov.in/MCASearch/search_table.html, https://www.pwc.in/en_IN/in/assets/pdfs/publications/2013/companies-act-2013-Key-highlights-and-analysis.pdf)

FMCG Sector in India and CSR

The fast moving consumer goods (FMCG) segment is the fourth largest sector in the Indian economy. The market size of FMCG in India is estimated to grow from US$ 30 billion in 2011 to US$ 74 billion in 2018.There is a lot of scope for growth in the FMCG sector from rural markets, which is projected to expand at a CAGR of 7.4 per cent over the period 2013-19. It has a strong MNC presence and is characterized by a well-established distribution network, intense competition between the organized and unorganized segments and low operational cost. The FMCG market is set to treble from US$ 11.6 billion in 2003 to US$ 33.4 billion in 2015. Growing Indian population offers an opportunity to FMCG companies to convert consumers to branded products (Source: CII: Building Business Leadership)

In 2013, the FMCG industry was hit by slowdown and contended to the year on year growth of a mere one percent volume growth (Source: Nielsen).



Source: PwC analysis

Recent CSR developments in Indian FMCG sector

Most of the Indian companies'marketing communicationsare concentrated towards the women and children. It would be interesting to study their CSR initiatives. Following are some of the CSR initiatives taken up by the Indian FMCG companies:

Dabur – Food and Dairy Products: Sundesh is an initiative of Dabur under CSR.

1. Self Help Group: Dabur, Self Help Group (SHG)/Micro Credit Groups help financially deprived people to earn and support their families.
2. Adult literacy/Vocational training program: Provides education to the women under the age group of 14 to 35 years. After this they also provide the training in various self- employment activities.
3. Educating children: Provides education to the children age group of 6-14 at the village centers and under the National Child Labour Project they provide education to the child labours of age group of 8-13 years.

Unilever Brands – Food and Personal Care Products:

1. Shakti initiative – Women empowerment: It is a micro enterprise program creates opportunity to women to sell their products door to door in rural areas.
2. Gondappa Campaign: Adopts villages of Central India to help every children to reach their 5th birthday avoiding children dying from infections such as diarrhea and pneumonia.
3. Fulfill a wish: This campaign was initiated by Surf Excel Brand to extend the festive spirit to underprivileged kids.

Procter and Gamble:

1. Shiksha: Under this P&G help underprivileged kids to access their right to education. It also address the issues related to tangible assets required at the educational centers across India.
2. Parivartan – The Whisper The School Program: The objective of this program is to help adolescent girls embrace womanhood positively and enable them to adopt right feminine hygiene practices in schools.

Britannia – Food and Dairy Products:

1. The Britannia Nutrition Foundation(BNF): NDTV and Britannia came together to drive up awareness of Nutrition across India.

ITC Group:

1. ITC's Women Empowerment initiative: Provides sustainable economic opportunities to the poor women of rural India forming microfinance self-help groups.
2. ITC's Primary Education initiative: ITC's supplementary learning centers provide additional coaching to the students avoiding dropouts from the schools.

Nestle:

1. The Nestle Healthy Kids Program: Provides nutrition education to teenage to create awareness of good nutrition food amongst the village students.
2. The Sanitation Facilities for Female Students: Sponsors the construction of sanitation facilities for female students in village schools.

Summary

FMCG Companies	Education Support. Partner	Healthcare/ Malnutrition Dentalcare/ Awareness	Hygiene & Sanitation Awareness	Capacity Building/ Vocational Training	Donations/ Toys/ Books/ Amenities	Adult Literacy	Awards/ Recognition	Micro Credit/ Finance Aid	Public Social Campaign
Britannia		■	■						
Colgate-Palmolive	■	■	■	■		■		■	
Dabur India	■			■		■		■	
Emami	■				■			■	
Godfrey Phillips India				■			■	■	
Godrej Consumer Products		■	■		■				
Hindustan Lever	■	■	■	■					
ITC Group	■							■	
Marico	■	■		■	■			■	
Nestle India		■	■						
P&G	■		■						
REI Agro									
Tata Global Beverages	■			■	■				■

Figure No.: 1 – Summary
Source: http://www.slideshare.net/futurescape/csr-initiatives-for-women-children-by-fmcg-companies-in-india

Some of the recent CSR initiatives by Indian FMCG companies:

- Nestlé India signed an Agreement with Magic Bus India Foundation on December 17, 2014 under the Nestlé Healthy Kids Global Program that focuses on providing nutrition and health awareness to almost 50,000 students aged between 10 – 17 years through government schools. Cities covered would be Mumbai, Delhi, Chennai, Banglore and Hyderabad. (Posted at Indiacsr Dec. 2014).
- L'Oreal India to empower Indian Women through Education and Livelihood training (Posted at Indiacsr Dec. 2014)
- P&G inaugurated a newly built P&G Shiksha School located in Chinchoshi, a small farming village in talukaKhed on the outskirts of Pune on Dec 3rd, 2014 (Posted at Indiacsr Dec. 2014).
- Eureka Forbes joined the 'Swachh Bharat Abhiyan' by initiating a nationwide mega cleanliness drive across public spaces such as railway platforms and police stations (Posted at Indiacsr Oct. 2014).
- Coca-Cola India, organized a free movie retreat for 200 waste pickers from across Delhi in association with Chintan, an NGO working in the area of waste management and DT Cinemas (Posted at Indiacsr Oct. 2014).
- A new programme from Unilever is challenging Indian families to live more sustainably to create a brighter future for children, while having fun together. The Sunlight Living Challenge forms part of Unilever's Project Sunlight (Posted at Indiacsr May 2014).

- Yum raised $185 million in cash and food donations, or the equivalent of providing 740 million meals to those in needs in remote corners of the world through United Nations' World Food Program (Posted at Indiacsr April 2014).
- Bollywood actress Soha Ali Khan joined ShikshaAbhiyan of P&G and visited KolkataSchool to help paint the walls and complete the on-going construction activities at the school (Posted at Indiacsr March 2014).
- HUL initiated rain water harvesting at their 10 units in the year 2013-14. (Source http://www.hul.co.in/Images/AGM_Speech_2008_tcm114-135930.pdf - page no. 15).

Data analysis and observations

Following are the main observations drawn on the basis of the data analysis of structured survey of 300 customers of the organized retail outlets constituted 79% female and 21% male respondents. 76% of respondents are of an age group of 25 to 50 years and 57% respondents prefer to visit the organized retail outlets twice a month. 50% of them are of salaried group and 74% of the respondents are having monthly income uptoRs. 50,000/-. 56% of the respondents spend in between Rs. 1000/- to Rs. 3000/- and 20% spend Rs. 3000/- and above on every visit.



Figure No. 2: Are you aware about the Corporate Social Responsibility (CSR) practices of FMCG companies?

- The above graph (Figure No. 2)indicates that most of the respondents are aware about the CSR activities of FMCG companies.

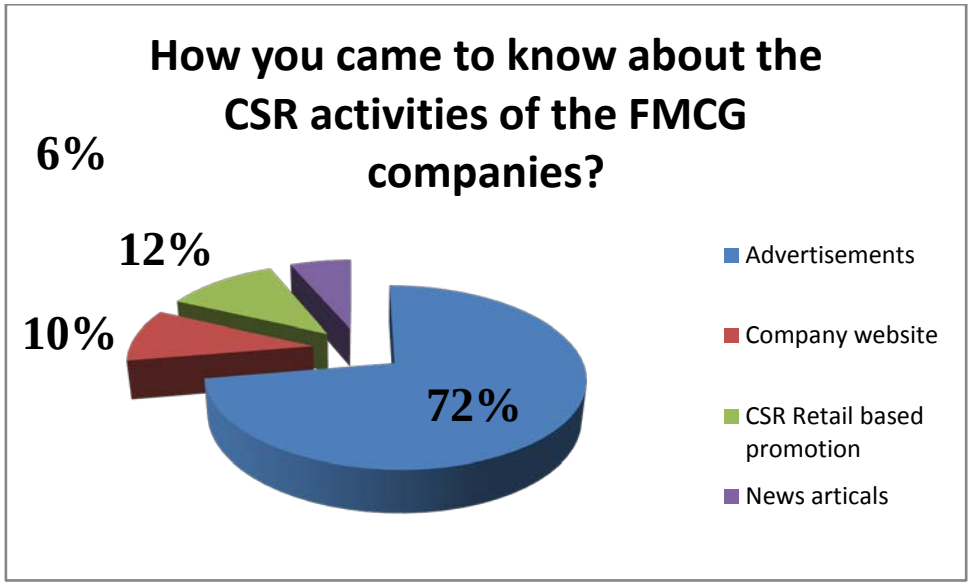


Figure No. 2: How you came to know about the CSR activities of the FMCG companies?

- The above graph (Figure No. 2)shows that most of the respondents came to know about the CSR activities of the FMCG companies through the various advertising efforts. Some of it are like "ShikshaAbhiyan" or "Nutrition Drive", which were prominently covered through television advertisements.

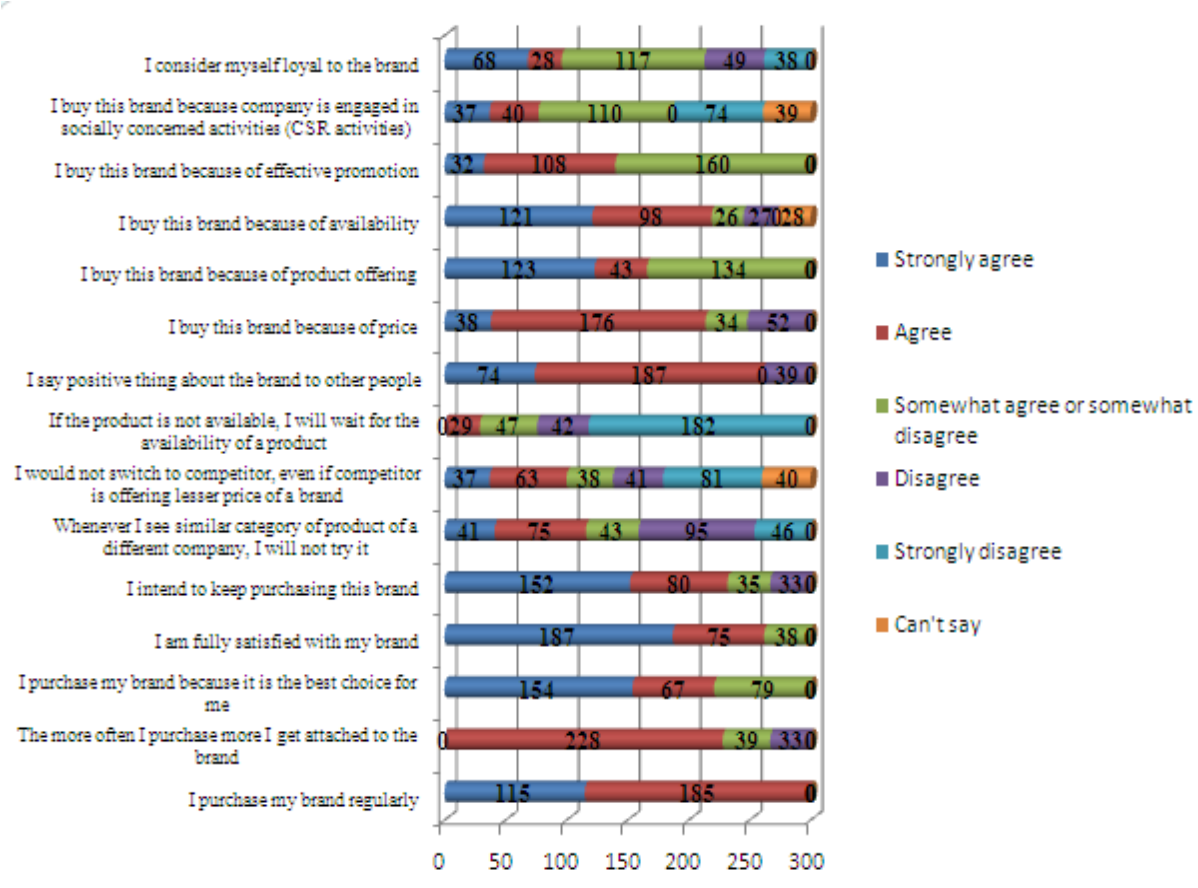


Figure No. 3: Buying perspective of a particular brand

- Above graph (Figure No. 3) indicate that most of the respondents tend to stick to a particular brand and more often get attached to it and satisfied with their brand. But, whenever they see the attractive product offering and price, they tend to switch to another brand. One of the important observations of the above graph is that the customer feel connected with a brand not because of the CSR activities taken up by them.

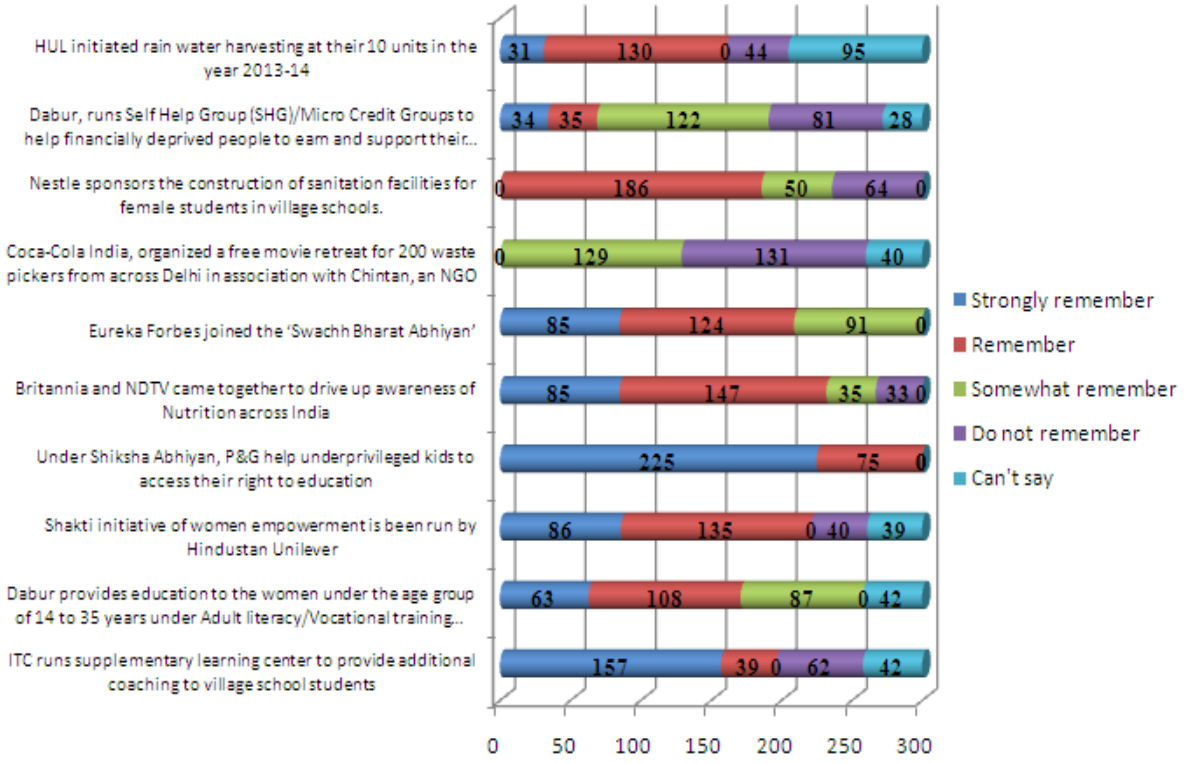


Figure No. 4: Recall of CSR activities of FMCG companies

In the above graph (Figure No. 4) recall of CSR activities carried out by FMCG companies analyzed. Majority of the respondents recalled the Proctor and Gamble's campaign of ShikshaAbhiyan – helping underprivileged kids to access their right to education.

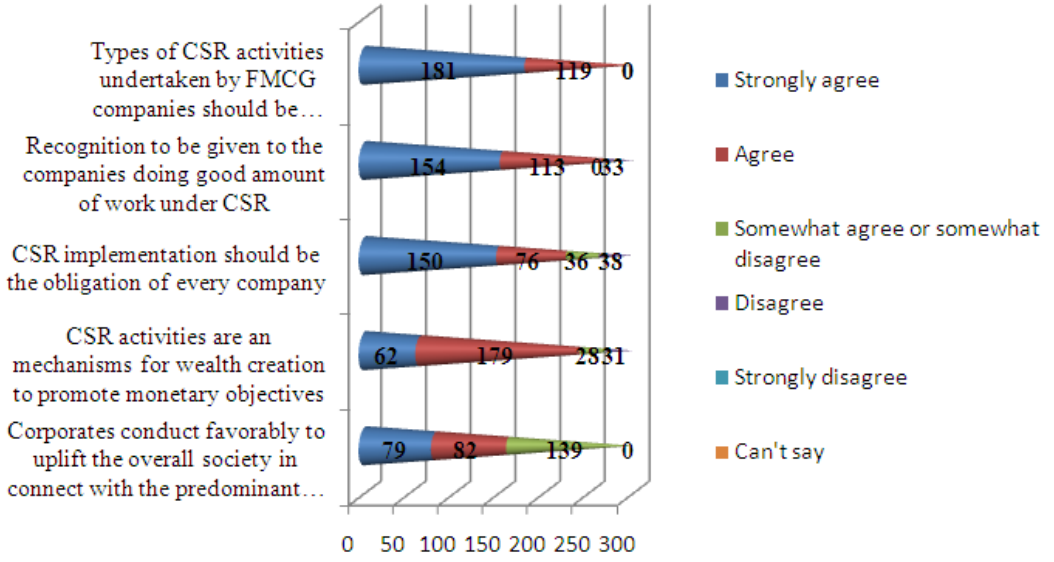


Figure No. 5: Customer's opinion on CSR as an activity of FMCG companies

Most of the responded feel that the CSR activities undertaken by FMCG companies need to be promoted predominantly through various media channels. Also, they feel some recognition should be given to the companies engaging themselves towards society's wellbeing. 50% respondents feel that CSR should be made mandatory.

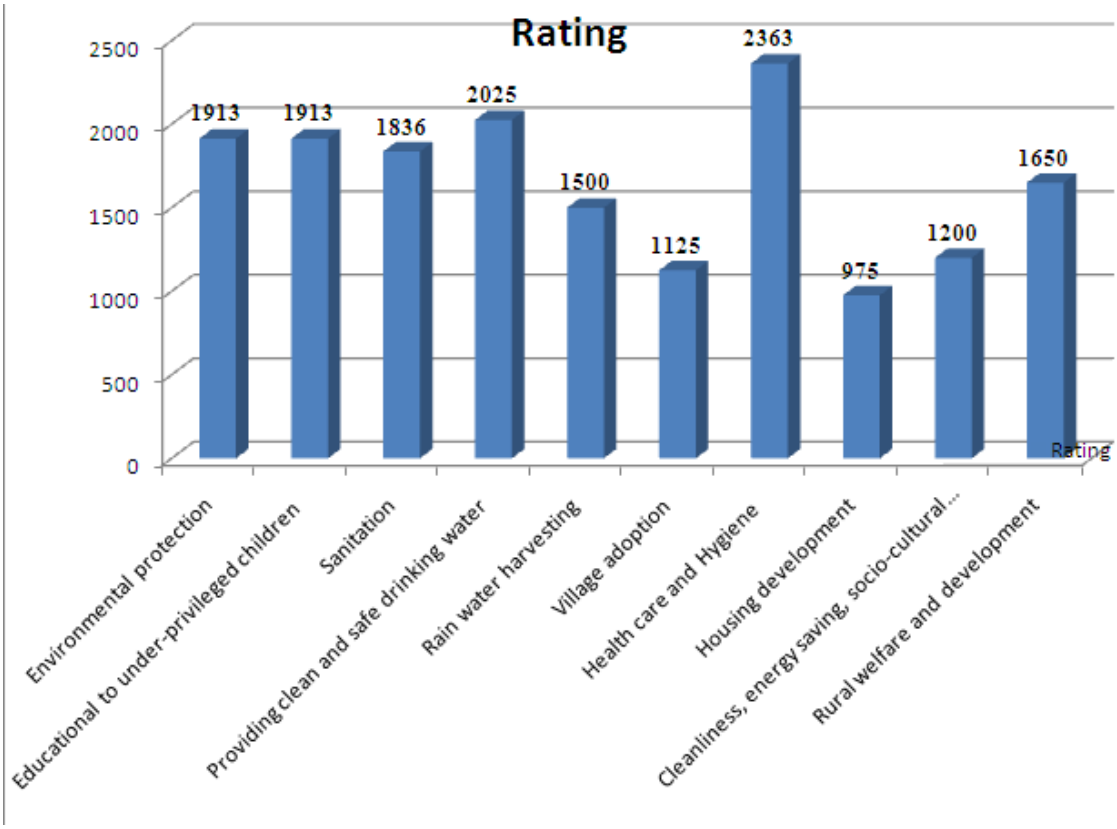


Figure No. 6: Respondent's view about CSR activities need to be focused by FMCG companies

Maximum rating is given by the respondents according to the Figure No. 6 for Health Care and Hygiene and least rating is for the Housing development as a CSR activity by FMCG companies.

The **Pearson** correlation coefficient for short **is a measure of the degree of linear relationship between two variables**, usually labeled X and Y. While in regression the emphasis is on predicting one variable from the other, in correlation the emphasis is on the degree to which a linear model may describe the relationship between two variables. In regression the interest is directional, one variable is predicted and the other is the predictor; in correlation the interest is non-directional, the relationship is the critical aspect. Considering the analysis objectives to find out the relation between CSR and other attributes researcher have considered the above test.The correlation coefficient may take on any value between plus and minus one. $-1.00 \leq r \leq +1.00$ The sign of the correlation coefficient (+ , -) defines the direction of the relationship, either positive or negative. A positive correlation coefficient means that as the value of one variable increases, the value of the other variable increases; as one decreases the other decreases. A negative correlation coefficient indicates that as one variable increases, the other decreases, and vice-versa.

Karl – Pearson's Correlation Matrix

		Quality	Features	Price	Availabilty	Promotion	CSR
Quality	Pearson Correlation	1	.952*	.896*	.764	.822	-.634
	Sig. (2-tailed)		.013	.040	.133	.087	.251
	N	5	5	5	5	5	5
Features	Pearson Correlation	.952*	1	.738	.592	.679	-.620
	Sig. (2-tailed)	.013		.154	.293	.208	.264
	N	5	5	5	5	5	5
Price	Pearson Correlation	.896*	.738	1	.963**	.974**	-.699
	Sig. (2-tailed)	.040	.154		.008	.005	.189
	N	5	5	5	5	5	5
Availabi lty	Pearson Correlation	.764	.592	.963**	1	.993**	-.752
	Sig. (2-tailed)	.133	.293	.008		.001	.143
	N	5	5	5	5	5	5
Promoti on	Pearson Correlation	.822	.679	.974**	.993**	1	-.786
	Sig. (2-tailed)	.087	.208	.005	.001		.115
	N	5	5	5	5	5	5
CSR	Pearson Correlation	-.634	-.620	-.699	-.752	-.786	1
	Sig. (2-tailed)	.251	.264	.189	.143	.115	
	N	5	5	5	5	5	5

*. Correlation is significant at the 0.05 level (2-tailed)

Karl – Pearson's Correlation Matrix

		Decision	Loyality	Brand	CSR
Decision	Pearson Correlation	1	.949*	.885*	-.640
	Sig. (2-tailed)		.014	.046	.244
	N	5	5	5	5
Loyality	Pearson Correlation	.949*	1	.784	-.720
	Sig. (2-tailed)	.014		.117	.170
	N	5	5	5	5
Brand	Pearson Correlation	.885*	.784	1	-.654
	Sig. (2-tailed)	.046	.117		.231
	N	5	5	5	5
CSR	Pearson Correlation	-.640	-.720	-.654	1
	Sig. (2-tailed)	.244	.170	.231	
	N	5	5	5	5
*. Correlation is significant at the 0.05 level (2-tailed).					

Considering above two tables researcher can strongly recommend that there is no correlation between CSR and other attributes. CSR does not create either loyalty nor has impact on overall selling of the product. Customers are not aware about the CSR activity of the organization.

Conclusion and discussion

FMCG companies across India are comprehended their active involvement in the society and engaging in varioussocial activities. The need of the hour is to formulate effective strategicpolicies and adopt various tools according to the company's objectives, distinctivenessin association of business participants so that CSR can be best implemented effectively for continued social and economic growth.

The literature review of this paper shows the trend of CSR development in India through four phases from pure philanthropy and charity during industrialization to CSR in a globalized world in a "confused state". There are several FMCG companies in India involved in varied activities in the field of healthcare, adult literacy and education for deprived society,rural development, hygiene and sanitation, microcredit, and women empowerment. Analysis of several research carried out in India suggest that though several FMCG companies in India have undertaken CSR activities but still it is in the confused state. The studies also suggest that various FMCG companies define CSR in their own language and to their particular circumstances.

The analysis of the data received through structured survey reveals the certain facts such as most of the respondents are aware about the CSR activities carried out by prominent FMCG companies in India. Companies used advertisement as a medium to make aware about their CSR activities to their targeted consumers. The study also suggests that the brand loyalty of a consumer is not being defined due to CSR activities of the company rather because of price and product attributes. Proctor and Gamble created a special space in the minds of consumer through their effective campaign of "ShikshaAbhiyan" and has a maximum recall amongst the respondents. This also shows that FMCG companies should effectively promote their CSR endeavor.

Health and hygiene and providing clean and safe drinking water are the two activities should be the focus of FMCG companies CSR basket of undertakings. Considering the regression analysis to find out the relation between CSR and its attributes, it shows that the CSR is a noticeable impact factor as far as consumers are concern. Consequently, this research paper suggests that there is no correlation between CSR and other attributes. CSR does not create loyalty amongst the respondents nor has impact on sales of the product.

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E-tailing: Analysis of Customer Preferences towards Online Shopping in Pune Region

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ABSTRACT

Today's Consumer has changed due to the changing business environment. This change in the environment, demands more and more optimization of the time. Consumer buying behavior has changed from convenience to comfort and from buying in stores to buying online. The current era is the era of retailing. There is a paradigm shift of consumers moving from market place to market space. Consumers now prefer to shop products online over conventional methods of shopping in stores. But customers are skeptical about the online purchasing. The objective of this study is to identify whether professions, that is entrepreneurs or working class has any impact on preference for online shopping. Moreover, whether consumer purchase though the web base retailing, has any significance to social economic status and education. *Primary data is collected fro*m 50 respondents in Pune region. The observation is analyzed with the help of Chi-Square test, and Conjoint Analysis. The outcome of the study revealed that entrepreneur prefers to buy online in comparison to that of working class customers. Furthermore, demographic factors like education and socio-economic status of customer take the advantage of technology and prefer to purchase through online shopping. However, there are some factors Security, Reliability & Service, and References, that has to be considered if the marketer want to motivate their customers for online purchases.

Keywords: E-tailing, Consumer Preference, Social Economic Status, Preference Factors.

Introduction:

In contemporary globalize scenario, several innovative technologies, especially the internet have been changing the ways of doing transactions in the market. E-retailing practices involve selling the products or services directly to the consumers who are the end users on the internet. In the Indian market, e-retailing is highly information-intensive and thus makes it important to recognize new development in strategy to create value on the consumers. We live in a technological epoch and consumers are fuelled by internet- induced potentials and an even increasing mood of resourcefulness. Actually E-retailing is seen to arise from the consolidation traditional retailing to e-retailing to create an outbreak of activities among the Indian market consumers. E-retailing emerges from the internet and web technology to facilitate the implementation of retailing. It focuses on internet or web-based interaction between the Indian market and its highly oriented consumers. Above all, e-retailing allowed the consumers to a new kind of specialization. These specialization deals with specialized stores, product line, special classes of customers and sellers and other special e-stores too to satisfy the consumers so as to retain consumer royalty and enhance the profitability. E-retailing is evolved recently with the emergence of Information technology such as internet and web technologies (Siddique, & Sana,Rehman, 2011).

In general, perception of Consumer's regarding shopping has been changed with the introduction of internet media. Even in retail industry it is observed a major revolution. Internet facility has shrunk the entire world and the rules of e-retail marketing are gaining importance. Who are the users to drag this change? The focus can be altered once the segments are being identified.

Literature Review:

Laforet,Sylvie, & Li (2005)[1] investigated the market status for online/mobile banking in China, which has the potential to develop into a world-scale internet economy and requires examination. The demographic, attitudinal and behavioural characteristics of online and mobile bank users were examined from six major Chinese cities. The results showed Chinese online and mobile bank users were predominantly males, not necessarily young and highly educated, in contrast with the electronic bank users in the West. The issue of security was found to be the most important factor that motivated Chinese consumer adoption of online banking. Main barriers to online banking were the perception of risks, computer and technological skills and Chinese traditional cash-carry banking culture. The barriers to mobile banking adoption were lack of awareness and understanding of the benefits provided by mobile banking. This study offers an insight into online/mobile banking in China, which has not previously been investigated. Distinct differences and common trends between Chinese and other countries were observed with clear indication of marketing strategy to be deployed by the service providers.

Adapa,Sujana (2008), examines the adoption of internet shopping patterns exhibited by Indian women currently residing in India and Australia emphasizing on the prevailing cultural dimensions. A conceptual framework was developed based on the theoretical background which links intention to shop over internet and Hofstede's cultural dimensions to adoption of internet shopping. To test the stated hypotheses, the proposed relationships between the variables were empirically verified. A web based survey was employed by using online questionnaire to various newsgroups. The results of the study reveal that intention of internet shopping as measured with the *perceived attributes* significantly influences the actual adoption of internet shopping. With regard to the prevailing cultural dimensions in the country of origin (India), the results obtained were as expected and significantly influence the internet purchases. Whereas with regard to the prevailing cultural dimensions in the country of residence (Australia), most of the results obtained are as predicted except for the dimension masculinity versus femininity. The results obtained were promising for internet marketers to formulate effective marketing strategies apart from venture capitalists and e-commerce business strategies.

In another part, although Internet banking in Saudi Arabia was yet to be fully utilised as a value-adding tool to improve customer relationships and achieve cost advantages, Al-Somali, Gholami, & Clegg (2009) identified the factors that encourage customers to adopt online banking in Saudi Arabia. The research constructs were developed based on the technology acceptance model (TAM) and incorporated some extra important control variables. The model was empirically verified to examine the factors influencing the online banking adoption behaviour of 400 customers. The results suggested that the quality of the Internet connection, the awareness of online banking and its benefits, the social influence and computer self-efficacy have significant effects on the perceived usefulness (PU) and perceived ease of use (PEOU) of online banking acceptance. Education, trust and resistance to change also have significant impact on the attitude towards the likelihood of adopting online banking. The implications of the findings were discussed and suggestions for future research were presented.

Moreover, Agarwala,Reeti, Rastogib, & Mehrotrac (2009) determined that the factors affecting customer perception and attitude towards and satisfaction with e-banking was an essential part of a bank's strategy formulation process in an emerging economy like India. To gain this understanding in respect of Indian customers, they conducted study on the respondents taken from northern part of India. The major findings depict that customers were influenced in their usage of e-banking services by the kind of account they hold, their age and profession, attach highest degree of usefulness to balance enquiry service among e-banking services, consider security & trust most important in affecting their satisfaction level and find slow transaction speed the most frequently faced problem while using e-banking.

Hand et al.(2009) seeks to understand the triggers which influence the adoption (and the discontinuation) of online grocery shopping. Specifically, the research aims to establish the role of situational factors in the process of adoption. A two-step research process was employed. First, exploratory qualitative research was carried out, with the purpose of gaining an in-depth

understanding of consumers' online grocery shopping behaviour. This was followed by a large-scale quantitative survey extending the findings of the qualitative research and validating the role of situational factors in instigating the commencement (and discontinuation) of online grocery buying. Cluster analysis was used to segment consumers based on the importance of specific types of situations. Both qualitative and quantitative results establish the importance of situational factors, such as having a baby or developing health problems, as triggers for starting to buy groceries online. Many shoppers were found to discontinue online grocery shopping once the initial trigger had disappeared or they have experienced a problem with the service. While situational factors were beyond a marketer's control, they could be used as a basis for marketing communications content and target advertising, for instance, by magazines directed at new parents. The importance of situational factors as triggers for the adoption of online grocery shopping suggests an erratic adoption process, driven by circumstances rather than by a cognitive elaboration and decision. The adoption of online shopping were contingent and may be discontinued when the initiating circumstances change.

Mishra,Sita, & Mathew,Priya (2013) examines the behaviour of online consumer in India in terms of internet usage, perceived risks, and website attributes influencing online users. Further, they studied influence of perceived risks on intent to do online purchase in future. A structured questionnaire was administered to 600 online consumers using field and online survey mediums. Results show that Indian online users had high level of perceived risks, highest fear being related to the delivery of products purchased online. Information quality, product range and after online sales service are most preferred website attributes which influence Indian online users.

Kumar, & Verma (2014) effort to check the reality of e-retailing in India. The urban infrastructure or infrastructure of Metropolitan cities was much better than the rural one. The level of education, income, needs of the people and the platform which was required to catapult e-retailing is in consonance with urban infrastructure and its demographic aspirations. But with hinterlands of pan India, the stark difference comes out. Be it infrastructure or electricity or level of income, needs of the people and last but not the least education. Everywhere you see a stark difference.

Shafqatajaz (2015) commented that the electronic retailing (e-Tailing, e-Retailing, internet retailing etc.) is the model of selling of retail goods using electronic media, in particular, the internet. E-Retailing is a subset of e-commerce (Electronic Commerce). E-Retailing accounts for about 10% of the overall growth of e-Commerce market. The growth in the e-Retailing market is driven by the need to save time by urban India. It is estimated that 2.5 billion internet users, access to internet has played a significant role in growing the business markets. The Internet gives retailers an instrument for: broadening target markets, enhancing consumer relationships, extending product lines, improving cost efficiency, improving consumer communications, and delivering customized offers. Changing demographics (youthful India), changing lifestyles and exposure to the developed markets give a fillip to e-Retailing industry. One can buy anything from stereos to iPod‘s without stepping out through internet media. E-Retailers serve 24 hours x 7 days in a hassle free manner to consumers.

Methodology:

Data was collected through Primary research method with closed ended framed questionnaire. This data was analyzed with chi-square method and Conjoint Analysis Multi Factor Evaluation on interval scale.

Objectives of the Study:

1. To understand whether profession has any impact on customer preference for e-tailing.
2. To understand the correlation between demographic factors like education, socio-economic status of consumer and preference for e-retailing.
3. To identify important factors among Security, Reliability & Service Quality, that affects e-retailing purchases.

Hypotheses:

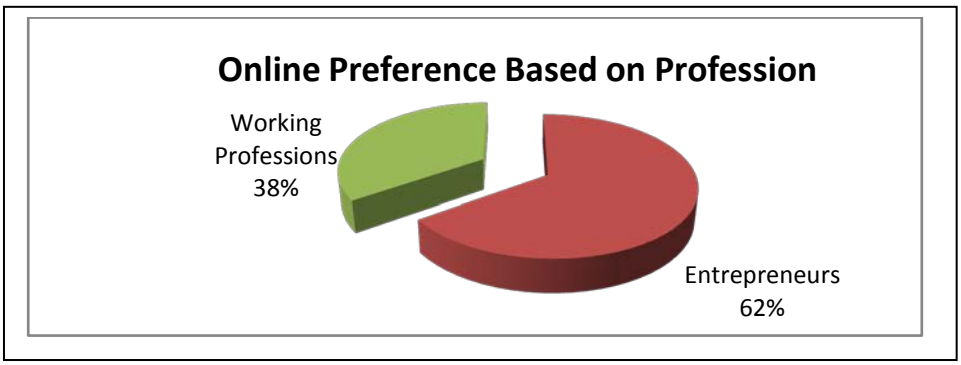
H_1 Entrepreneurs prefer online purchases than working profession.
H_2 Educated customer prefers to online transactions.
H_3 Customer with High Socio-Economic Status prefers online transactions.

Limitation of the Study:

1. Pune is a vast region, this study was carried out in a part of this region.
2. There are various direct and indirect parameter that can be consider for the study, for this paper only some important parameter were considered.
3. Consumer action changes due to time and knowledge they acquire. Following study was carried out for a particular time period.

Analysis of the finding:

1. E-Retailing Preference by Profession.



Graph 1: Online Preference Based on Profession

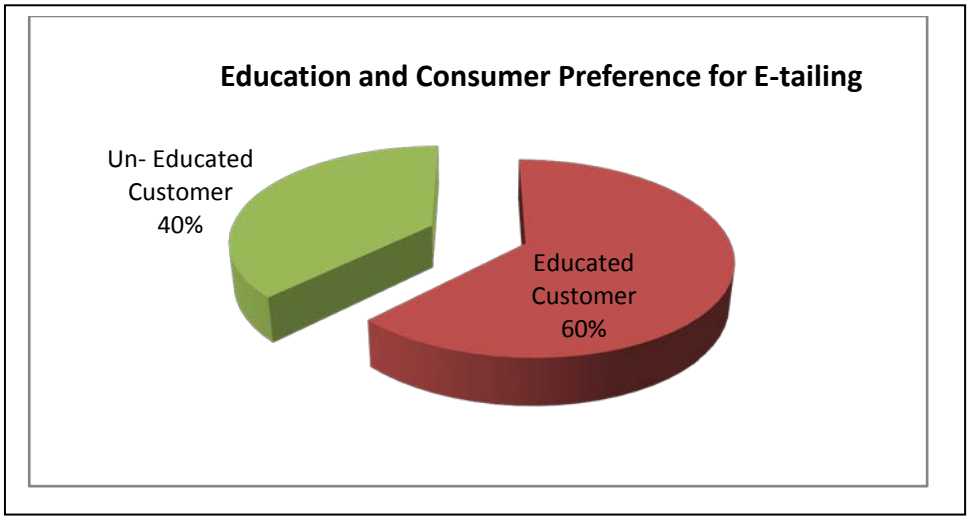
Based on the 50 samples of Entrepreneurs and Working Professions, it is observed that 62% of the Entrepreneurs prefer online purchases than that of 38% of Working Professions.

Sr. No.	O	E	O-E	$(O-E)^2/E$
1	15	12.00	3	0.75
2	10	13.00	-3	0.69
3	9	12.00	-3	0.75
4	16	13.00	3	0.69
Total				2.88

Table 1 : Calculated value of X^2 of Customer Preference.

The calculated value of X^2 is less than critical value (3.841 for 1DF @5% level), therefore hypotheses H_1 is accepted indicating that the entrepreneurs preference for online purchases is more common than that of working profession.

2. Education and Consumer Preference for E-Retailing.



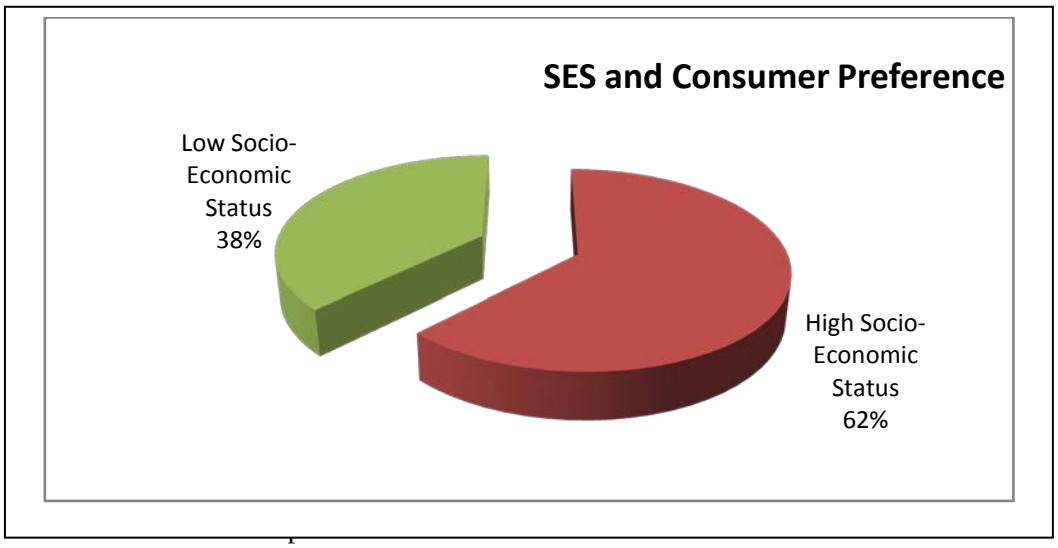
Based on the 50 samples of educated and uneducated customers, it is observed that 60% of the educated customer prefer than that of 40% of uneducated customers.

Sr. No.	O	E	O-E	$(O-E)^2/E$
1	18	15.00	3	0.60
2	7	10.00	-3	0.90
3	12	15.00	-3	0.60
4	13	10.00	3.00	0.90
Total				3.00

Table 2 : Calculated value of X^2 of Education and Customer Preference.

The calculated value of X^2 is less than critical value (3.841 for 1DF @5% level), therefore hypotheses H_2 is accepted which proves that the education customer preference for online purchases.

3. Socio-Economic Status and Consumer Preference for E-Retailing.



Based on the 50 samples under study for E-tailing preferences by High Socio-Economic Status and Low Socio-Economic Status customers, it is observed that 62% of the High Socio-Economic Status customer prefer is to shop online than of 40% of Low Socio-Economic Status customers.

Sr. No.	O	E	O-E	$(O-E)^2/E$
1	15	12.00	3	0.75
2	10	13.00	-3	0.69
3	9	12.00	-3	0.75
4	16	13.00	3.00	0.69
Total				2.88

Table 3 : Calculated value of X^2 of Socio-Economic Status customers and Customer Preference.

The calculated value of X^2 is less than critical value (3.841 for 1DF @5% level),based on which hypotheses H_3 is accepted which proves that the High Socio-Economic Status customer prefer online purchases.

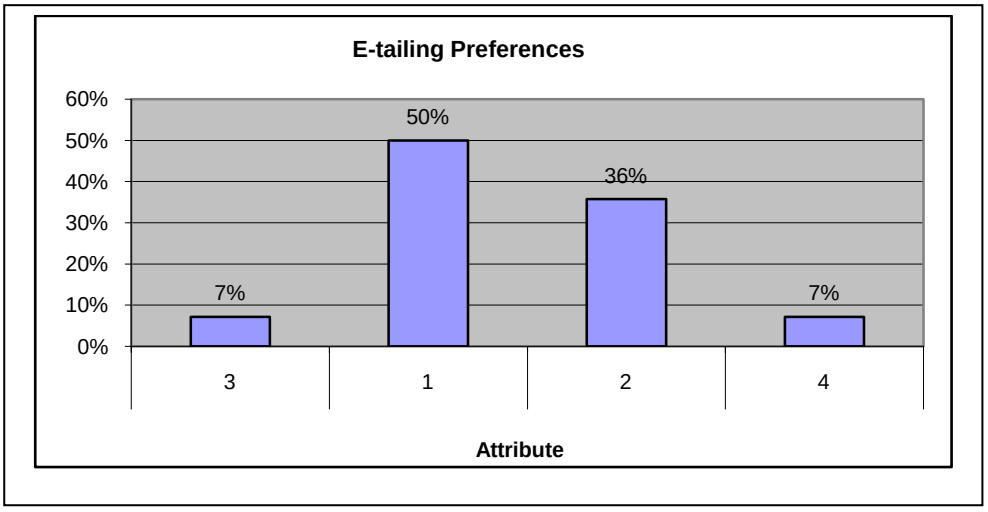
4. Factors affecting E-Retailing.

Factors	4	**Service**	**Security**	**Reliability**	**Reference**
Values	1	High	High	High	High
	2	Low	Low	Low	Low

Table 4 : Attributes & Values

Result	Service	Security	Reliability	Reference
Rank	3	1	2	4
Part-Worth	-0.25	-1.75	-1.25	-0.25
Preference	**7%**	**50%**	**36%**	**7%**

Table 5 : Calculated Values of Preferences



The calculated value through Conjoint Analysis shows that factors that play an important role for e-retailing preference as per ranking are Security, Reliability, Services & then Reference.

Conclusion:

The study revealed that entrepreneur prefers to buy through online shopping in comparison to that of working class customers. Furthermore, demographic factors like education and socio-economic status of customer take the advantage of technology prefer to purchase through online shopping. However, there are some factors Security, Reliability & Service, and References that has to be considered if the marketer want to motivate their customers for online purchases. In developing countries like India it is seen that there is a gradual growth for online shoppers.

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Marketing through Social Media: Is it an effective promotional tool in Hospital ?

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ABSTRACT

Internet has revolutionized the digital world in the present era. New avenues are created by marketers to promote their product to the target market .Innovative ways of marketing through use of internet is adopted by many products and services. Social media as a tool of promotion mix is gaining rapid accolades by customers in the present competitive global markets. The use of social media by hospitals in India is still in its infancy stage and in some parts of India is still not fully explored by hospitals. The present study emphasizes on use of social medial as a tool for marketing hospitals. The purpose of the study is to understand use and effectiveness of social media in comparison to other tools used in promoting health care services. The primary objective is to find and explore if social media is used as a tool for promotion and if customers prefer social media or other promotional tools while availing or preferring services of hospitals. The study involves a random sampling method, with a sample size of 57 respondents in Pune city. Statistical tools – ANOVA, Chi square and Simple Percentage methods was used to analyze the data and compute the results of the study. The interpretations of the results are given as per the findings and outcome of analysis.

Keywords: Social media, promotion tool, health care services, effectiveness.

Introduction:

Hospital Industry is facing a myriad of challenges to promote their services. In the present competitive era social media is contributing to the growth of health care organizations in developed countries and developing countries is trying to catch up with the pace and space for using social media as a tool for promoting Health care services. It is learnt that social media is used as a powerful promotion tool for monitoring one's brand, reaching out to patients and consumers in the community, supporting patient education, and recruiting new talent. The next phase in health care industry for hospitals and health systems will be to use social media more strategically to their advantage.

Hospitals and social media are a great mix, offering a wealth of opportunities for connecting with the community, patients, and even collaborating across health systems and between different hospitals. Some medical groups are wary of the liability and privacy issues that social media may open up, but others have found ways to manage these concerns and enjoy the benefits of using social media. Healthcare professionals have not done much to take advantage of social media for healthcare purposes however; few empirical studies have investigated use of such practices. While hospitals are increasing their use of social media platform to promote their services one needs to understand how this tool is used by hospitals to accomplish their objective as a service sector to their advantage.

Long (2006)[1] in his study indicated how public relations health campaign programs can successfully incorporate branding strategies to improve program effectiveness. The case study of the Heart Truth campaign, the excellence theory of public relations and social marketing theory provided a framework for integrating concepts from the literature on branding, marketing, and public health campaigns into current knowledge of public relations perspectives. The research questions were examined through a content analysis of internal materials and interviews with the campaign managers. The findings of this study contribute to current understanding of how public relations theory, social marketing theory, and branding principles impact the effectiveness of health campaigns. The practical

implications of this study suggest that brands should be viewed as an asset and key tool in health campaigns; brands help achieve campaign goals when they are strategically planned and consistently implemented through a process that involves formative research in creating and managing brand identity, positioning, and awareness.

Literature Review:

Olujide, Gbadeyan, & Aremu (2010) [2] in their study indicated that there are Social and Public Health problems that need to be addressed for a better and improved quality of life to be achieved in the society. This takes the form of HIV/ AIDS, Measles and Polio, Human trafficking, Child abuse, Domestic violence, Environmental Protection, Women Empowerment, Drug abuse and Anti Tobacco Campaign. The task of bringing about the desire change is achieved through the combined efforts of Government, foreign partners, most especially, World Bank, UNICEF, and Non Governmental Organisations (NGOs). The study therefore examines how Marketing is being employed to bring about the effectiveness of these Social and Public Health Campaigns. Result indicates that the various Public Health Campaigns have brought about improved health condition to the People and Community as a whole. The authors recommended that local community organizations and leaders should be involved in order to enjoy their cooperation. In other words Government and its partner should adopt community based approach for successful execution and implementation of Public Health Campaign to be achieved.

Gallant, Linda et. al (2011)[3] in their research states the use of e-health tools like social media by hospitals using an inductive content analysis on websites of top ranked US hospitals from January 5th 2011 to February 28th 2011. They identified the type of online communication technologies utilized by hospitals to provide e-patients with health information. The study showed that how hospitals provide web-based health information to patients. Online health tools such as body mass index (BMI) calculators and health dictionaries were also a common website feature. Less frequently employed were mobile applications, hospital-patient interaction tools and health blogs. Online health tools such as body mass index (BMI) calculators and health dictionaries were also a common website feature. The study highlighted the implications of use of e-health tools by hospitals pointing out the convergence of interactive media formats with web-based communication tools will likely enhance e-patient education and promote patient involvement in ways that alter traditional health care interactions, and may lead to enhanced levels of participatory medicine.

Hackworth, & Kunz (2011) [4] examined the use of social media networking in the health care industry, and provides suggestions for successful implementation of social media applications in health care marketing strategy. Current applications on popular social networks such as Facebook, Twitter, YouTube, along with other platforms specific to the health industry were examined, and examples of current usage were provided. Two social networks dedicated to health care were also examined. Finally the study examined possibilities for future innovations and applications of social media in the marketing mix by health care industry members.

Potential value that direct-to-consumer (DTC) prescription drug advertisements can provide to social marketers as examples of effective persuasive health communication. Modern medicine increasingly incorporates media sources such as DTC prescription drug advertising. While DTC advertising presents concerns, it also offers opportunities for studying effective message design to promote health behavior change. The DTC advertising debate were vigorous, with some critics maintaining advertisements cannot be educational - but the field of social marketing utilizes similar tactics and a consumer-driven marketing perspective to promote preventive health behavior and health behavior change. One of the most prominent criticisms of DTC advertising was use of emotional appeals, but a variety of national public health campaigns engage in parallel tactics - employing emotional appeals over "pure" health education. While DTC advertising engenders valid criticism, it was crucial to not let the profit motive behind these campaigns preclude social marketers from learning important lessons from DTC advertisements. The paper highlights the fact that DTC drug advertising could provide useful lessons to social marketers which some academics may be slow to embrace - the profit motive driving these campaigns may obscure the benefits to be gained from

studying DTC drug advertising as a model of effective persuasive health communication. It serves as a reminder that even those who might object to the policy and practice of DTC drug advertising may still learn beneficial lessons from these campaigns. (Mackert, & Love, 2011) [5]

Rhoads (2012) [6] highlighted the use of social media by hospitals was growing for basic, non-clinical purposes such as marketing, communications and brand management. In most hospitals that use social media, the function was handled by the marketing and/or public relations departments, not clinicians. Hospitals rate their experience with social media as overwhelmingly positive. Organizations are comfortable using social media in a basic unidirectional way; time was to consider using these technologies more strategically. The next step in maximizing value would be to become more interactive by engaging patients and enhancing patient satisfaction. The next phase could also include connecting consumers and providers and providing insights to inform product development. For this to occur, clinical departments need to become more involved. For instance, special teams could be formed with clinical representation to respond to certain types of event triggers using clearly-written procedures and guidelines.

Boyer (2011) [7] Before social media became popular, hospitals approached communicating and marketing traditionally: through broadcast, one-way messages. And the patients and community were forced to accept the messages being fed to them. This approach was not natural. No wonder the approach was not working -- traditional marketing does not fit in healthcare. Social media has leveled the playing field. Now patients can communicate about health at any time. They can share fears about diagnoses with distant friends and families. Social media is natural for patients. If healthcare communicators are going to succeed as social media communicators, they need to keep some principles in mind: 1. Be helpful. 2. Give patients the opportunity to weigh in on care experiences. 3. Refrain from broadcasting and traditional marketing. 4. Go with your instincts.

Seivers,Christine (2012)[8] in his article highlights 20 inspiring ways of using social medial by hospitals from crisis communication to social service. Hospitals and social media are a great mix, offering a wealth of opportunities for connecting with the community, patients, and even collaborating across health systems and between different hospitals. Some medical groups are wary of the liability and privacy issues that social media may open up, but others have found ways to manage these concerns and enjoy the benefits of using social media.

Although healthcare professionals have done much to take advantage of social media for healthcare purposes, few empirical studies have investigated such practices. It is not known whether hospitals were using social media mainly as marketing tool or as a way to friend, listen to, and interact with their visitors. Through a content analysis of 23,300 posts/tweets on 172 US hospitals' Facebook and Twitter pages in a systematic probability sample, Huang & Dunbar (2013) [9] found that the flow of information on hospital Facebook pages, and especially Twitter pages, is dominantly one-way; nevertheless, hospitals, especially larger hospitals, have made great effort to interact with their Facebook visitors while marketing themselves, though such interaction is minimal. The study also found that it is very important for hospitals to encourage a large visitor base on Facebook because the more visitors a hospital attracts to its Facebook page, the more 'Likes' and posts the hospital will attract, the more people will comment on the hospital posts, and the more the hospital will get recommended. The comparison between the traffic on Facebook and on Twitter demonstrates that using social media as a two-way communication channel seems to be much more effective for hospitals to connect to their visitors than using them as a one-way marketing tool.

Landen (2013) [10] studied the methods about hospitals were choosing to tell their stories were shifting. Between 2008 and 2009, spending on Internet marketing by hospitals, clinics and medical centers rose about 20% from $47.5 million to $57.2 million, while television marketing fell 7% from $395.3 million to $369.3 million, according to data from Kantar Media, a media consulting firm based in New York. In 2010, while TV advertising rose 10% to $407.9 million, Internet ad spending more than tripled to $202.1 million. At Boston Children's Hospital, fans of the hospital 's heart center's Facebook page post photos and stories that help inspire other families who were about to go through similar treatments or procedures. The feedback and ratings given by patients were far more important

in convincing others where to go for medical care than the numerous official hospital rankings by US News and World Report or Health grades.

Huang, & Dunbar (2013) [11] in their study states that, it is not known whether hospitals are using social media mainly as a marketing tool or as a way to friend, listen to, and interact with their visitors. Through a content analysis of 23,300 posts/tweets on 172 US hospitals' Face book and Twitter pages in a systematic probability sample, this study found that the flow of information on hospital Face book pages, and especially Twitter pages, is dominantly one-way; nevertheless, hospitals, especially larger hospitals, have made great effort to interact with their Face book visitors while marketing themselves, though such interaction is minimal. The study also focuses that it is very important for hospitals to encourage a large visitor base on Face book because the more visitors a hospital attracts to its Face book page, the more 'Likes' and posts the hospital will attract, the more people will comment on the hospital posts, and the more the hospital will get recommended. The comparison between the traffic on Face book and on Twitter demonstrates that using social media as a two-way communication channel seems to be much more effective for hospitals to connect to their visitors than using them as a one-way marketing tool.

Anushia Inthiran (2015) [12] Current research topics in relation to health information searching focus on challenges faced by health consumers and domains used to perform the health search. Health consumers may not be capable of successfully searching for a health task due to limited medical knowledge. As such search assisting features provided on health domains are important in assisting health consumers during a search session. In this paper, we perform a preliminary exploratory research study to understand if i) search assisting features are visible to searchers and ii) the usage of search assisting features when searching on a personal health task. A convenience sampling method in a university setting and an observational type study was used. MedlinePlus is used as the search domain for this research study. While participants of this research study were first time users of MedlinePlus, they were not first time medical searchers. Results of this research study indicate health consumers do not utilize search assisting features when searching for a personal health task. This is because health consumers are comfortable with their search skills. In other cases health consumers found the search assisting features irrelevant or had no confidence in the search assisting features presented. Key contributions of this research study indicate health consumers do not utilize search assisting features when searching for a personal health task. This is because health consumers are comfortable with their search skills. In other cases health consumers found the search assisting features irrelevant or had no confidence in the search assisting features presented. Results of this research study has implications for health domain and human computer designers in relation to the development of specialized search assisting features and the placement of these features. Theoretical contributions indicate health searchers use search assisting features minimally when searching on a personal health task. Results of this research study indicate health consumers do not utilize search assisting features when searching for a personal health task. This is because health consumers are comfortable with their search skills. In other cases health consumers found the search assisting features irrelevant or had no confidence in the search assisting features presented.

Objectives of the Study:

1. To explore the use of social media by various Hospitals.
2. To understand whether social media is an important tool for promoting Health care services.
3. To understand customer preference for health care apps if provided by hospitals.

Hypotheses:

H_1 Hospitals use social media for advertising.

H_2 Customer has moved to digital media. However, till date reference of health care through social media is not yet popular. Therefore, it is hypothesized that Conventional Promotion Tools are effective tools for promotion of health care services.

Limitation of the Study:
The study was carried out with the following limitation:

1. Pune region is a vast region.. To cover whole area was beyond the scope of study. Hence, this study was carried out in Pune city area
2. Study was carried out in a particular time period (Dec14-Jan15). Consumer action changes based on time and knowledge they acquire.

Analysis of the finding:

1. Use of Social Media for Hospitals advertising.

	Advertisement Feedback by Customer	
Hospital	Social Media Adv.	Other Media Adv.
Noble	5	10
Jahangir	2	8
Sayadri	4	12
Ruby	6	10
Total	17	40

Table 1: Observations on the customer feedback

Computing through ANOVA				
Source	df	SS	MS	F
Treatment	1	66.1252	66.1252	23.6864
Error	6	16.75	2.7917	
Total	7	82.8752		

Table 2: Computation through Anova

Tabulated value of F for 5% significance level and 1 numerator df and 6 denominator df=(F1,6,0.5)=5.99. Since the computed value is greater than the tabulated value, H_1 is rejected and alternate hypotheses is accepted, that is at present hospitals do not make significant use of social media for their promotion.

2. Conventional tool for influence customer.

Sr. No.	O	E	O-E	$(O-E)^2/E$
1	12	14.91	-2.91	0.57
2	13	10.09	2.91	0.84
3	22	19.09	2.91	0.44
4	10	12.91	-2.91	0.66
Total				2.51

Table 3 : Calculated value of X^2

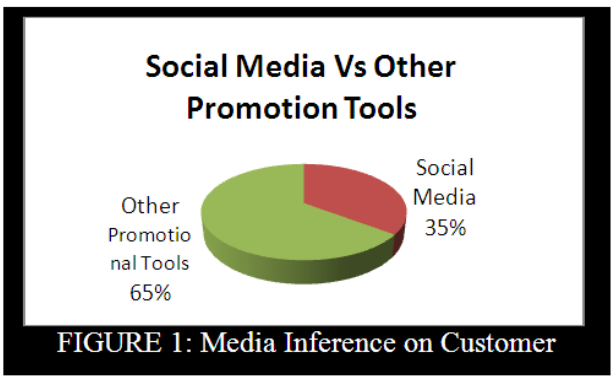


FIGURE 1: Media Inference on Customer

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The calculated value of X^2 is less than critical value (3.841 for 1DF @5% level), therefore H_2 is accepted, which indicates that conventional promotion tool play an important role in influencing customers.

3. Customer Preference for hospital apps.

Customer Preference	
Yes	42
No	10
Neutral	5

TABLE 4: Consumer Preference for Hospital Apps.

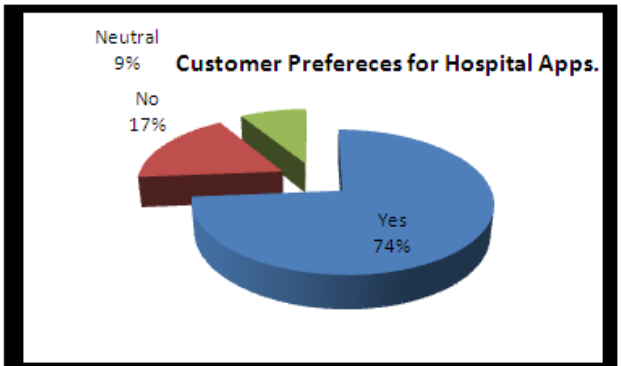


FIGURE 2: Customer Preferences for Hospital Apps.

With the above reference data, it is observed that 74% of customer would prefer to use social media, if the app. are provided by the hospitals, were as 17% do not agree with the above statement and 9% of consumers has no comments.

Discussion:

Even though social media advertising is quite popular in India, it has not evoked the confidence in the customers in health care industry. Customers still look forward for the same conventional promotion tool for preference of services. However, these customer will react positively if the specialized hospital apps. are provided to them. These apps. can be designed to promote various schemes, facilities, awareness and services provided by the hospital. This indicates that health care service providers should use social media and their apps. to promote their services to their potential customers. The health care services providers should also consider the issue of convenience, security and authenticity of the data while providing these services in future. Thus, indicating that the social media can be an effective tool for marketing in health care industry. It is concluded that social media can also be used as an integrated tool along with other promotion tool by hospitals to promote their health care services.

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Impacts of Procurement Strategy in Sustaining Competitive Advantage in Mobile Communication Industry in Tanzania: Cases of Selected Companies

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ABSTRACT

Following continuous policy reforms since 1993, in Tanzania, the telecommunication sector in the country is becoming one of the more liberal and competitive ones. Since the policy reform of 2006, Tanzania has to date Two (2) fixed-line and Seven (7) licensed and operationalmobile network operators, a number which with liberalization has intensified the competition among the players.

In response to competition aggressiveness, the players have concentrated on price reduction for mobile services, as being a core factor for competitive advantage over their rivals. While it is foreseen that this strategy, of price reduction, is reaching the edge, it is of interest in this study to establish a relationship out of the value chain in the mobile communication industry on how operators can generate sustainable competitive advantage. Therefore, considering the value chain in mobile communication industry, this study explored the value of procurement in ensuring sustainable competitive advantage by analysing the relationship between the key performance indicators, quality and cost, of procurement strategy with the competitive advantage parameters, price, reliability and accessibility, of mobile communication services.

From this study, it was identified that, in order to ensure competitive advantage through price reduction, mobile service providers should endure high performance in procurement strategy through undergoing quality and low cost procurements. Additionally, competitive advantage through reliability and accessibility of mobile services, this study identifies that there is no clear relationship between these competitive advantage parameters and the overall performance of the procurement strategy, rather to low cost key performance indictor for procurement strategy.

Key Words: Procurement, Strategies, competitive Advantage

Introduction

Trend of Tanzania Mobile Communication Industry

Although Tanzania continues to suffer from the consequences of underdeveloped infrastructure, that's; roads, railways, electricity and telecommunications; continuous policy reforms since 1993 have led to the telecommunication sector becoming one of the more liberal and competitive ones in the country. To further revolutionize the industry, the Government has embarked on a national fibre backbone rollout project to connect population centres around the country after the landing of the first fibre optic international submarine cables in the country in 2009. All these plans are expected to advance the mobile communications penetration in the country at the same time keeping the prices for communication as cheap as possible (posted on Totel, one of the leading telecom markets analysts in the world)

According to the Tanzanian Communications regulator – TCRA, since the communications policy reform of 2006, Tanzania has to date two fixed-line operators: TTCL and Zantel, seven operational mobile network operators: Tigo, Vodacom, Airtel,Zantel, TTCL, Sasatel and Benson as well as more five non-operational but licensed players. The analysis made by Totel shows that considering the

major four operators: Tigo, Vodacom, Airteland Zantel; the mobile market is expected to break the 50% penetration barrier during 2011. Referring to TCRA statistics, at the close of quarter 3 in 2010, approximately 98.6% of the market share isseen to be distributed among the four big operational mobile network operators with Vodacom occupying approximately 40.6%, Airtel 28%, Tigo 22% and Zantel 7.6% whereas the remaining 1.4% of the market is being shared among the remaining other players. Refer to Table 1.1 for subscriber subscriptions per operator for Q2 and Q3 2010.

Table 1.1: Tanzania Mobile Subscriber Distribution

MONTH	VODACOM	AIRTEL	TIGO	ZANTEL	TTCL	BENSON	SASATEL	TOTAL
Apr-11	7,455,029	4,740,350	4,371,403	1,518,641	252,711	3,205	16,281	18,357,620
May-11	7,669,498	4,923,801	4,449,676	1,708,685	250,271	2,700	16,009	19,020,640
Jun-11	8,013,574	4,923,660	4,495,151	1,888,739	252,813	2,406	16,452	19,592,795
Jul-11	8,225,245	5,430,000	4,638,994	1,743,183	260,364	2,584	20,624	20,320,994
Aug-11	8,370,291	5,546,721	4,588,693	1,630,742	258,371	2,576	21,939	20,419,333
Sep-11	8,426,097	5,901,634	4,575,534	1,586,516	256,064	2,571	23,071	20,771,487
Share	**40.57%**	**28.41%**	**22.03%**	**7.64%**	**1.23%**	**0.01%**	**0.11%**	

Source: http://www.tcra.go.tz/publications/telecom.html

Statement of the Research Problem

Grant (1991), states thatrapidly growing and highly dynamic markets reaches at a point where the customers' tastes diverge from solely being focused on the prices of the services offeredand turn to some other implicit factors that offer customer value, for instance; services flexibility, services quality, and the degree of accessibilityand availability of services. Therefore in the light of this workin combination with the practical experiencetoday in the Mobile communication industry in Tanzaniawhere operators seem to address competition aggressiveness through stressing on offering mobile services at the lowest prices relative to the competition,there is a threat that it will be difficult for any of them to sustain competitive advantage if alternative strategies are not sought for.

Main Research Objective

To find out if the procurement strategy has remarkable influence in ensuring sustainable competitive advantagein the Mobile Communication Industry in Tanzania.

Specific Research Objective

i. To identify if the procurement strategy influences the prices of the services offered by mobile services operators in Tanzania
ii. To assess whetherthe reliability of the services offered by mobile communication services operators in Tanzania is influenced by the procurement strategy established implemented
iii. To analyse if the accessibility of the mobile communication services offered by the operators is directly influenced by the procurement strategy in place

LITERATURE REVIEW

Procurement and Procurement Strategy

According to Gebauer and Segev (1998), procurement is an operational function that encompasses all activities involved in obtaining goods and services and managing their inflowinto an organization. They further elaborate that; traditionally the corporate function of procurement is divided into strategic and operational tasks whereby the strategic tasks include sourcing activities,

supplier management, and design and implementation of buying procedures whereas operational tasks embrace all transaction-oriented activities such as the excitement of purchase orders.

On the other hand Trent, (2007) refers to procurement to be the encapsulation of all the activities that are involved in the purchasing of goods and services for the day-to-day operation of a business. He adds that, procurement strategy is an essential part of any organization's ability to function effectively and efficiently.

Therefore departing from the two definitions, it can generally be said that procurement refers to all the activities that are involved in the overall process of acquiring goods and services whereas procurement strategy refers to how the procurement activities are organized and carried to ensure efficiency and effectiveness of the function.

Competition and Competitive Advantage

The definition of the term competition may vary depending on the field of application but ultimately the general meaning remains the same. Porter (1985) refers to competition as 'a rivalry between individuals or groups or nations or businesses, and it arises whenever two or more parties strive for something that all need to obtain'. On the other hand, according to Hammer, (2004) competition is "the effort of two or more parties acting independently to secure the business of a third party by offering the most favourable terms".

Therefore departing from the definition of competition, Porter (1985) refers to competitive advantage as a value that a firm is able to create for its buyers that exceeds the firm's cost of creating it. The base is that, superior value stems from offering lower prices than competitors for equivalent benefits or providing unique benefits that more than offset a higher price. He further asserts that for an Organization to gain competitive advantage over its rivals, a firm must either provide comparable buyer value but perform activities more effectively and efficiently that its competitors (lower cost), or provide activities in a unique way that creates greater buyer value and commands a premium price (differentiation).

General role of Strategic Procurement

Procurement Strategy Detailed

In their work, Axelssonet al (1991) and Van Weele (2005)identified three core areas in procurement, that is; the Procurement Organization, Procurement Activities, Procurement Processes and Procurement Evaluation to be the core areas of focus for improvement for successful procurement strategies.

Procurement Organization

Axelssonet al (1991), states that the shape of the organization is essential for procurementperformance. This means that for the procurement function to deliver its maximum value depends on the way the procurement activities and the overall organizational structure of the company are organized. They identified three ways to organize the procurement function based on the specialization of activities, as;

i. Specialization based on commodity where a specific buyer (procurement specialist) deals with specific products or services
ii. Specialization based on facility in which a buyer is dedicated to perform all procurements for a specific facility only
iii. Specialization based on supplier where a buyer is dedicated to deal with all procurements from a specific supplier

On the other hand, Van Weele (2005) stresses on the centralized and decentralized mode of organization, in which he asserts that proper decisions for these two extremes need to be made when building the procurement function in an organization, that is;

i. Centralized procurement organization

In this mode, a procurement department at a corporate level of an organization is responsible for all procurement activities. All decisions about product specifications are made centrally and

the same goes for supplier selection. Contracts with suppliers are negotiated centrally and the same terms and conditions are valid for all business units.

ii. Decentralized procurement organization

In this structure individual business units are responsible for the overall financial result of the business as far as procurement is concerned. All the procurement activities are carried out at the business level.

Strategic sourcing processes

According to Dobler and Burt (1996), developing appropriate sourcing strategies is the most complex process in procurement for there are a lot of factors that need to be considered and they vary between companies, type of purchases and environment. They highlighted some of the critical issues that need to be dealt with for successful strategic procurement to include;

i. Early Supplier Involvement

In this process, Dobler and Burt (1991) states that if suppliers are involved early inthe procurement process, the company can be able to capitalize on the latest technology, save time since the design cycle time will be reduced, could improve buyer-supplier relationship for the suppliers would feel being part of the team. Advantages are; material specifications, tolerances, standardization, order sizes, process changes in supplier's manufacturing, packaging, inventory levels management, transportation and assembly changes in buyers' plant.

ii. Number of Suppliers

Here they assert that, when developing a sourcing strategy the company need to consider how many parallel sources of supply should be used.

iii. Share of Supplier business

For successful procurement strategy, Dobler and Burt suggest that companies have to decide over how large share of the suppliers' turnover should be constituted.

iv. Buying locally, nationally or internationally

Additionally, a decision of a company as in whether to source locally, nationally or internationally is very critical.

iii. Purchasing from manufacturer or distributor

Also when putting up a procurement strategy, companies should make decisions as in whether to buy from a distributor or directly from the manufacturer. It is generally more expensive to buy from a distributor than from the manufacturer.

vi. Environmental considerations

In all cases environmental considerations has to be taken into account when planning to carry out procurements. It is imperative that the buying firm makes sure that their suppliers does not handle environmentally problematic substances in such a manner that it could hurt the buying company.

iv. Ethical considerations

According to Dobler and Burt it is also strategic for a buyer to mostly being aware of the potential conflicts of interest when developing a sourcing strategy and in particular when choosing suppliers.

Procurement performance evaluation

Axelsson et al (1991)identified a suitable way to evaluate the performance of the procurement function through setting and measuring targets. In this basically they suggest the use of the key performance indicators which they divided into seven categories;

- Price related KPIs
- Quality related KPIs
- Delivery related KPIs
- Inventory related KPIs
- Savings related KPIs

- Activity related KPIs

On the other hand, Van Weele (2005) considering the construction industry he identified that the purchasing function performance can be measure mainly by considering the effectiveness and efficiency of the overall function. He states that purchasing effectiveness is the measure of what has been achieved whereas efficiency is the measure of what resources have been used to accomplish it. He presents purchasing performance measurement model as shown in Figure 2.3.

Conceptual Framework

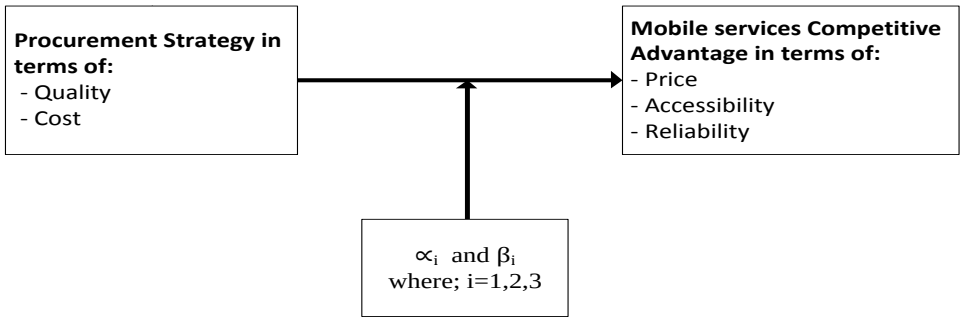
Description of the Model

Referring to the work done by Van Weele (2005) and the work by Axelsson et al (1991) regarding the possible key performance indicators that can be used to measure the performance of a procurement system and the work done by Porter (1985) regarding the key parameters of competitive advantage, a conceptual model can thus be derived to relate an organization's competitive advantage to its procurement strategy in place.

Therefore this research focused on the procurement strategy for Airtel, Tigo and Vodacom – the big mobile communication operators in Tanzania, considering their market share. These companies' procurement strategies were analysed for their performances in terms of effectiveness and efficiency for quality and costs of the procurements made.

For the purpose of this study, the degree measure of performance of the procurement strategy as indicated by the selected key performance indicators were analysed in terms of the quality and cost of the procurements made by the operators. Furthermore a few selected competitive advantage key performance indicatorswere measured for their influence from the performance of procurement strategy. The selected competitive advantage indicators were; price, reliability and accessibility of the services were measured as perceived by customers per operator. This concept can be summarized in the conceptual framework as shown in figure bellow 1.1:

Figure 1.1: Conceptual Model



Source: Research Field Data

Underlying assumptions and Description of Variables

From the conceptual model, competitive advantage presents the dependent variables whereas the procurement strategy presents the independent variables with $\propto_i$ and β_i are the modulating constants, which relates the dependent, and independent variables.Thereforethis conceptual model can be expressed in a mathematical notation to relate the relevant variables as;

$$\textbf{Competitive Advantage} = \mathbf{f}(\textbf{Perfomance of Procurement Strategy})$$

Whereby in this study the procurement strategy performance is considered to be a function of Quality, Processes and Cost, which thus results into;

$$\textbf{Competitive Advantage} = \mathbf{f}(\mathbf{Q}, \mathbf{C})$$

Whereby; Q = Quality of procurements made by mobile operators
C = Cost of procurements made by the mobile operators

Furthermore, since competitive advantage can be measured in terms of the variables Price, Accessibility and Reliability of the services, therefore the mathematical notation can be further broken down to;

$$\mathbf{P = f(Q, C)}; \qquad \mathbf{A = f(Q, C)}; \qquad \mathbf{R = f(Q, C)};$$

Whereby; P = Price of mobile services
A = Accessibility of mobile services
R = Reliability of mobile services

In order to further break down the mathematical functions presented above, considering the mobile communication market in industry in Tanzania, the following assumptions can be considered in building up the model to be used in this study;

i. The performance of procurement strategy has a direct impact on the level of competitive advantage
ii. There is a linear relationship between the performance of the procurement strategy and the competitive advantage
iii. The elasticity in competitive advantage variables, varies differently with marginal changes in the procurement performance variables of cost and quality

Therefore with these assumptions, the model can specifically be represented by the below three equations;

i. $\mathbf{P= D_1+\propto_1 Q+\beta_1 C}$
ii. $\mathbf{A= D_2+ \propto_2 Q +\beta_2 C}$
iii. $\mathbf{R= D_3+ \propto_3 Q +\beta_3 C}$

Whereby:

- $\propto_1, \propto_2, \propto_3, \beta_1, \beta_2$ and$\beta_3$are the modulating constants for the competitive variables P, A and R.
- D_1, D_2 and $D_3$are constants of the linear equations signifying that if the modulating constants$\propto_1, \propto_2, \propto_3, \beta_1, \beta_2$ andβ_3 are equal to zero, then the competitive variables P, A and R for an organization cannot equally be zero.

Statements of Hypothesis

Referring to the literature reviewed here, it is expected that a successful procurement strategy will result into high competitive advantages. Porter (1985) in his work identifies that for a firm to standout in competition it should strategize towards cost leadership and differentiation. On the hand Cavinato, et al (2001) they state in their work that, it is without question, the top-level executives now realize that procurement can be a source of untapped value in the corporation as well as a source of competitive advantage.

$\boldsymbol{H_0}$ = The Price of Mobile Services decrease with the improvement in performance of Procurement Strategy
$\boldsymbol{H_0}$ = The Accessibility of Mobile Services increases with the improvement in performance of Procurement Strategy
$\boldsymbol{H_0}$ = The Reliability of Mobile Services increases with the improvement in performance of Procurement Strategy

RESEARCH METHODOLOGY

This study falls under the descriptive type of researches considering the fact that it involvesfact-finding and description of the state of affairs, as they exist at present in the mobile communication market. Additionally, considered to be descriptive, for the reason that the researcher had no control over the variables apart from reporting what the findings are and providing an evaluation of the determinants of competitive advantage in the mobile communication industry in Tanzania. The qualitative approaches were usedfor the reason that the assessments carried out were subjected to the attitudes, perceptions, and behaviours and as well biasness of the respondents.

Data requirement

Data Scale

Considering that thestudy is based on qualitative analysis, Nominal and Ordinal types of scale were used in measuring and scaling the collected data.

Target Population

The targeted population in this research included; the staff at Airtel, Tigo and Vodacom as well as the customers that use the services offered by these three (mentioned earlier) Mobile operator companies in Tanzania, which amounts to **18,903,265**mobile services users according to the TCRA report in Table 1.1

Sampling procedure and Technique

For the purpose of this study, non-probability sampling procedures were used reason being that this sampling procedure was convenient enough to cover this study and also considering the information that was to be sought for, a Purposive sampling technique was used. The number of customers using these three mobile phone services subscribers are many, convenient sampling was of paramount to be used.

Referring to Table 4.1, it was realized during the research that almost all of the interviewedmobile users were using mobile services from at least two of the mobile service providers, whereby out of the 102 interviewees; 73 were Tigo users, 53 Vodacom and 48 Airtel meaning that coverage included feedback from a total of 174 different mobile services users' experiences in Tanzania. Therefore in the light of these considering only unique mobile users (i.e. considering only per user, one most preferable mobile service provider), the following breakdown of the 102 interviewees was considered in this research work;

i. Mobile Services Users

For the purpose of getting feedback from the mobile services users, for the selected mobile services providers, asample size distribution was as follows:

- 28customers with Airtel as their most preferred mobile services provider
- 43 customers with Tigo as their most preferred mobile services provider
- 31 customers with Vodacom as their most preferred mobile services provider

This sample size distribution is not equally distributed over the three mobile services provider, considering that almost every user has more than one sim card, therefore the presented above numbers of the 102 respondents defines the levels of preference for a specific mobile service provider.

ii. Employees

In order to get feedback of procurement performance in the mobile communication industry, a sample size distribution of 5employees from each of the three selected mobile service providers (Airtel, Tigo and Vodacom), one from each of the departments; Technical, Sales, Marketing, Human Resources and Finance, were considered.

Considering this distribution of respondents, a sample size of 15 employeesworking with the mobile services operators and a total of 102 customers using the mobile services in Tanzania were generated.

Data Collection Techniques And Analysis

Data is classified into two basic categories: Primary and Secondary data. Since Primary data was opted to this research, questionnaires and unstructured interview were used as a technique to collect the desired responses from the targeted respondents. The questionnaires were designed purposely and sent earlier to the respondents followed by a phone call to explain the questions where it was deemed necessary. Documentary review was done to supplement the primary information.

In the light of this, qualitativetechniques of data analysis were employed whereby percentagesas well as coefficients of the equations obtained were used as basis for decision-making. This technique is simple to use andassists to scientifically justify the findings of the research.

EMPIRICAL ANALYSIS AND INTERPRETATION OF THE RESULTS

General Representation

This subject gives a general representation of the research findings across the Mobile Communication Industry in Tanzania. Under this section the customer behavior in terms of usage of mobile services per mobile service provider and the driving factors for customers in selecting mobile service providers they use.

SUBJECT ONE

Customer Behaviour Of Usage Of Mobile Services

Table 1.2: Mobile Service Users Subscription per Mobile Service Provider

Network	Frequency		Percent (%)	
	Yes	No	Yes	No
Tigo	73	29	72%	28%
Vodacom	53	49	52%	48%
Airtel	48	54	47%	53%

Source: Research Field Data

Generally, of the One hundred and two (102) mobile services users that were supplied with questionnaires and interviewed, it was found out that each of them was using mobile services from at least two mobile service providers among the three (Tigo, Vodacom and Airtel). Considering the findings of the research as presented in Table 1.2, it was found out that, regardless of owning sim cards from other mobile services providers, 72% of the 102 interviewees owned a Tigosim card, 52% owned a Vodacom sim card and 47% owned an Airtelsim card.

Customers Preferred Mobile Service Provide

For the sake of being specific, although every respondent owned more than one sim card, out of the 102 respondents 42% preferred Tigo over the other two mobile services providers (Vodacom and Airtel), 30% preferred using Vodacom over Tigo and Airtel whereas 27% preferred using Airtelover Tigo and Vodacom, Table 1.3refers. This generally depicts that Tigo is the mostly used mobile network in Tanzania today.

Table 1.3: Customer Preferred Mobile Service Provider

Service provider	Age				Total	Percent (%)
	15-25	26-35	36-45	46-55		
Airtel	5	6	14	3	28	27%
Vodacom	4	7	12	8	31	30%

Tigo	18	8	8	9	43	42%
Total	**27**	**21**	**34**	**20**	**102**	**100%**

Source: Research Field Data, 2011

Assuming that mostly in college and below population in Tanzania is of age less than 25 years, further analysingthe customers' preference for every mobile service provider, reveals that; 42% of the customerswho responded to be preferring Tigo over the other mobile service providers,were of age less than 25 years and 58% of age greater than 25 years, whereas 87% of the customers for whom Vodacom is their preferred mobile service provider, are of age greater than 25 years and only 13% are of age less than 25 years. Finally, 82% of customers who had Airtel as their preferred mobile service provider were of age greater than 25 years and only 18% were of age less than 25 years.

Customer Driving Factors For Selecting Mobile Service Providers

The interviewees gave the following reasons for their network preferences: the price of the services, network coverage, friends and services variety.

Of the 102 respondents, 61% responded with price being one of the reasons for choosing their first mobile service provider, 57% responded with network coverage to have been one of the reasons that contributed to their choice of the first mobile service provider whereas 65% and 18% had friends and services variety respectively as being one of the reasons for selecting to buy services from their first services provider, table 1.4 refers.

Table 1.4: Reason for choosing first Network Provider

Network Selection Factors	Frequency		Percent (%)	
	Yes	No	Yes	No
Price	62	40	61%	39%
Network coverage (Accessibility, Reliability)	58	44	57%	43%
Friends	66	36	65%	35%
Services variety	18	84	18%	82%

Source: Research Field Data, 2011

On the other hand, of the 102 respondents to reasons for their most preferable mobile services provider today, 76% responded mentioned price being one of the core reasons (an increment of 15% making it a more strong reason for mobile services provider selection) whereas 62%, 41% and 33% of the interviewees responded for network coverage, friends and services variety respectively as being part of the reasons for selecting their current most preferred service provider, table 1.5 refers.

Table 1.5: Reason For Choosing Most Preferable Network Today

Network Selection factors	Frequency		Percent (%)	
	Yes	No	Yes	No
Price	78	24	76%	24%
Network coverage (Accessibility and Reliability)	63	39	62%	38%
Friends	42	60	41%	59%
Services variety	34	68	33%	67%

Source: Research Field Data, 2011

Combining the results in table 1.5 and table 1.4 into one bar Figure,it can thus be generalized that, availability of a variety of services does not contribute much to a customers' decision of selecting a mobile service provider for the first time when one is into starting to buy the services, but rather mostly influenced by friends and services price and network coverage. But worth to note is that, once customers have become users of the mobile services, the reasons for preferable mobile services provider strongly changes to price and network coverage with the strength of reason of influence by friends reducing in comparison to when selecting the provider for the first time. Furthermore, it is worth pointing it out that customers start becoming sensitive to services variety after having used the services, and thus this can as well be strong reason for subscriber retention.

SUBJECT TWO

Under this subject, the prices for mobile services for every mobile service provider areanalysed to provide weighted scores for every service in order to rank the service providers in terms of price relief they offer to their customers, ranging from very expensive, expensive, cheap and very cheap in ascending order of the weighted scores. The assumed weights for every response frequency are "Very expensive=0.1", "Expensive=0.2", "Cheap=0.3" and "Very cheap=0.4". Table 1.6 refers to the weighted scores per mobile service for every mobile service provider.

Table 1.6: Price Relief per Mobile Services

Responses	Frequency			Responses (%)		
	Airtel	Vodacom	Tigo	Airtel	Vodacom	Tigo
Very Expensive	2	7	4	2%	8%	3%
Expensive	22	31	30	26%	33%	23%
Cheap	24	28	45	29%	30%	35%
Very Cheap	36	27	50	43%	29%	39%
Total	**84**	**93**	**129**	**100%**	**100%**	**100%**

Source: Research Field Data, 2011

Considering the general frequency distribution of the respondents for all mobile services per mobile service provider, it is worth mentioning that most Vodacom customers are generally facing high prices compared to Airtel and Tigo customers. This is depicted by the fact that a total of 41% of Vodacom customers responded with the mobile services offered by that company to be "Very Expensive" and "Expensive" which is contrasted by the 28% and 26% of Airtel and Tigo respectively for the same experience (mobile services being expensive and very expensive). From this it can generally be deduced that Vodacom is the most expensive mobile provider of the three case studies considered in this research, Table 4.5 above.

Per Mobile Service Price Weighted Scores

Additionally, considering the accumulated weighted scores with regards to the extent by how much cheap the mobile services offered by specific mobile service providers, it is vivid that Tigo is the cheapest of the three mobile services providers with accumulated weighted score of ***39.9***, whereas Airtel and Vodacom are comparable in terms of how cheap their mobile services are, scoring ***26.10*** and ***26.20*** respectively, Table 1.7 refers.

Table 1.7: Per Mobile Service Price weighted scores

Service	Low Price Weighted Scores			Scores (%) for Low Price		
	Vodacom	Airtel	Tigo	Vodacom	Airtel	Tigo
Voice	8.30	8.80	12.70	32%	34%	32%

SMS	8.70	9.00	13.60	33%	34%	34%
Data	9.10	8.40	13.60	35%	32%	34%
Total	**26.10**	**26.20**	**39.90**	**100%**	**100%**	**100%**

Source: Research Field Data, 2011

SUBJECT THREE

This subject analyses the ease of accessibility of mobile services for every mobile service provider whereby the interviewees' frequency of responses in the ranges of "Very Easy", "Easy", "Difficult" and "Very Difficult" are depicted in Table 1.8. Furthermore, for the purpose of this research, to aid in the analysis, such frequencies were assigned weighted scores in the descending order of 0.4, 0.3, 0.2 and 0.1 respectively, Table 1.8 refers.

Table 1.8: Responses to ease of accessibility of Mobile Service

Responses	Frequency			Responses (%)		
	Airtel	Vodacom	Tigo	Airtel	Vodacom	Tigo
Very Easy	38	27	22	45%	29%	17%
Easy	42	56	28	50%	60%	22%
Difficult	2	9	25	2%	10%	19%
Very Difficult	2	1	54	2%	1%	42%
Total	**84**	**93**	**129**	**100%**	**100%**	**100%**

Source: Research Field Data, 2011

Considering the frequency of responses expressed as percentage of the total frequency for every mobile service provider, it is vivid that Tigo has the poorest accessibility of services owing to the fact that only 39% of the responses fell under the ranges of "Very Easy" and "Easy" with the rest 61% of the responses being Difficult and Very Difficult out of which 42% is substantially very difficult. On the other hand, Airtel has the far highest frequency of response of 95% for Very Easy and Easy for customers to access mobile services, whereas Vodacom has a percentage response of 89% in the same ranges.

Weighted Scores for Ease to Accessibility of Mobile Services

Furthermore, considering the accumulated weighted scores for the responses by the interviewees with regards to the ease of accessibility of mobile services per mobile service provider, Vodacom scores the highest accumulated weighted score of ***29.5***, whereas Airtel and Tigo scored ***28.4*** and ***27.6*** respectively. Following these accumulated weighted scores, it can thus be generalized that Vodacom has the overall best mobile services accessibility compared to Airtel and Tigo. Tigo has the poorest overall ease to accessibility of mobile services, Table 1.9, refers.

Table 1.9: Weighted Scores for Ease to Accessibility of Mobile Services

Service	Accessibility weighted score			Service Accessibility % Scores		
	Vodacom	Airtel	Tigo	Vodacom	Airtel	Tigo
Voice	10.40	8.90	8.70	35%	31%	32%
SMS	9.80	10.00	10.10	33%	35%	37%
Data	9.30	9.50	8.80	32%	33%	32%
Total	**29.50**	**28.40**	**27.60**	**100%**	**100%**	**100%**

Source: Research Field Data, 2011

On the other hand, getting into the details of accessibility of an individual mobile service, although Tigo has an overall poor accessibility for the core mobile services (SMS, VOICE and DATA) considered in this study, it has the best accessibility of SMS services compared to Vodacom and Airtel, whereby Vodacom has the poorest SMS accessibility of all the three mobile service providers. Considering DATA services, Airtel provide the best accessibility whereas Vodacom and Tigo are comparable. As for VOICE services, Vodacom provides the best experience of all, whereas Tigo and Airtel are comparable.

SUBJECT FOUR

This subject elaborates the reliability of mobile services offered by mobile services providers in Tanzania. The measurement of this parameter, mobile services reliability, considers the frequency of responses from the customers in the perimeters of Voice Calls and SMS being successful on first attempt. In carrying out this analysis,the frequency of responses of interviewees in the ranges of "All time", "Mostly", "Sometimes" and "Never" for SMS and Calls being successful on first attempt, was considered between a customer's preferred network and other networks, for instance if Tigo was a customer's network, then considered for accumulation were SMS and Voice Calls in the scenarios of; Tigo to Tigo, Tigo to Airtel and Tigo to Vodacom, Table 1.10 refers.

From these results it can be identified that 47% of Tigo customers are of experiences that it never happens that Calls or SMS are successful on first attempt on Tigo Network, whereas only 5% and 7% of Vodacom and Airtel customers respectively experience Calls or SMS never being successful on first attempt.

Table 1.10: Accumulated Reliability Responses of Mobile Services

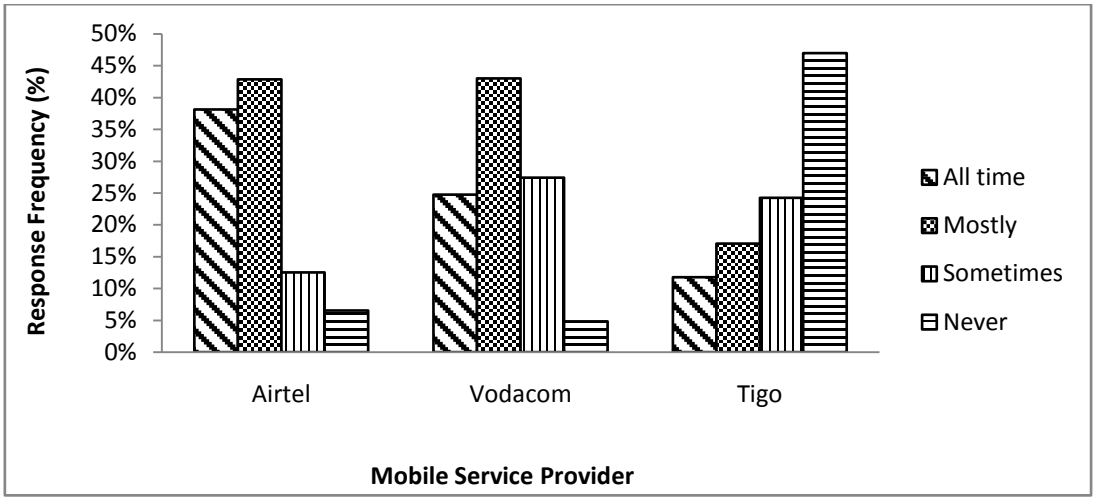
Response	Frequency			% Responses		
	Airtel	Vodacom	Tigo	Airtel	Vodacom	Tigo
All time	64	46	31	38%	25%	12%
Mostly	72	80	45	43%	43%	17%
Sometimes	21	51	64	13%	27%	24%
Never	11	9	124	7%	5%	47%
Total	**168**	**186**	**264**	**100%**	**100%**	**100%**

Source: Research Field Data, 2011

On the other hand, 38% of Airtel respondents experience Calls and SMS being successful on first attempt all time, whereas for Vodacom and Tigo, 25% and 12% of their customers respectively, experience Calls and SMS being successful all time on first attempt. This throws a green light and establishes empirical grounds that Airtelcustomers experiences the best services reliability compared to Vodacom and Tigo customers whereby it is worse for Tigo customers, Figure 1.2 depicts further.

Furthermore, the reliability of the mobile services was analysed for an individual mobile service (SMS and Voice calls), whereby in order to aid in the analysis the frequencies of the responses were assigned weighted scores in the descending order of 0.4, 0.3, 0.2 and 0.1 for the responses of "All time", "Mostly", "Sometimes" and "Never" respectively, Table 4.10 refers.

Figure 1.2: Mobile Service Reliability (%) per Mobile Service Provider



Source: Research Field Data, 2011

Considering the obtained weighted scores for service reliability per mobile service provider, the equivalent percentage representation for the same was sought for. Similar to what was identified above that Tigo offers the lowest experience with regards to service reliability;Tigo has an overall weighted score of ***51.1,*** Vodacom gives the best experience based on the accumulated weighted score of ***53.5***whereas Airtel becomes the second while it scores **52.5** weighted scores for overall services reliability.

Table 1.11: Weighted Score for Mobile Service Reliability

Service	Weighted Scores			% Scores		
	Tigo	**Vodacom**	**Airtel**	**Tigo**	**Vodacom**	**Airtel**
SMS	28.4	28.5	27.8	55.6%	53.3%	53.0%
Voice	22.7	25.0	24.7	44.4%	46.7%	47.0%
Total	**51.1**	**53.5**	**52.5**	**100%**	**100%**	**100%**

Source: Research Field Data, 2011

SUBJECT FIVE

Under this subject, procurement performance related issues are analysed per mobile service provider. It starts with giving a general overview of procurement activities for every mobile service provider, then it analyses the cost and lastly the quality of procurements made.

General outlook of procurement activities

In this analysis, the amount of annual purchases made by every mobile service operator are grouped into three; Capital goods, which are basically purchases of investment goods (that's the goods that aid production) for instance systems and equipment, Operational goods and services, which are goods and services that aid in the day to day running of activities and whereas Office utilities are goods meant for office use and administration, Table 1.12

Table 1.12: Amount of Purchases (%) per Mobile Service Operator

Operator	Capital Goods	Office Utilities	Operational Goods/Services	Total
Tigo	41%	12%	46%	100%
Vodacom	46%	9%	46%	100%

Airtel	39%	14%	47%	100%

Source: Research Field Data, 2011

Referring to Table 1.12it is vivid that generally for all three mobile service operators, operational goods and services constitute the greatest percentage of their annual purchases, with comparable amounts.On the other hand, Vodacom looks to be investingin capital goods more than the other mobile service providers, followed by Tigo whose 41% of its annual purchase are capital goods and lastly Airtel with 39% of its annual purchases being constituted by capital goods. Lastly, Airtel has the largest composition of office utilities, 14% of its total annual purchases, compared to the other mobile service operators Tigo and Vodacom who have 12% and 9% respectively.

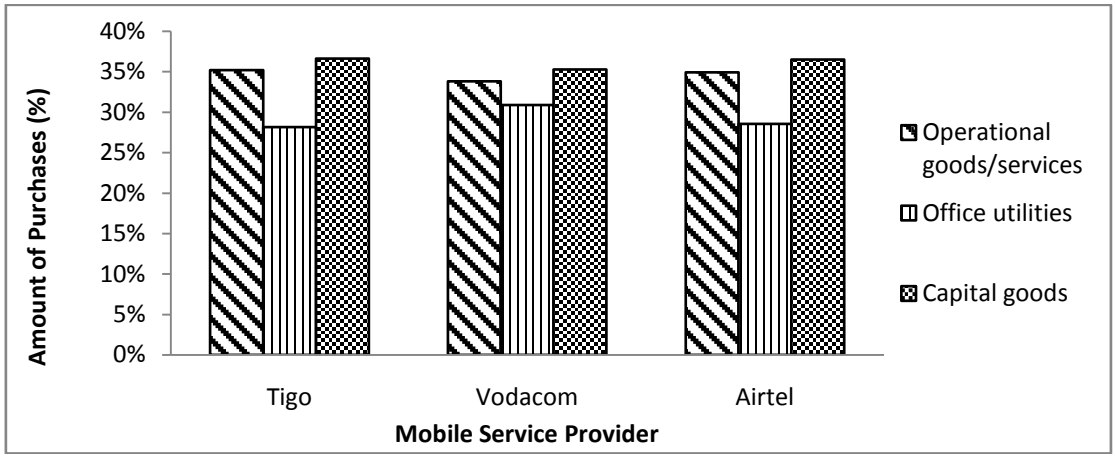
On the other hand, considering least price, value and a combination of both value and least price as reasons that facilitate the "buying from who"decision for mobile service providers; Of the three mobile services providers, Airtel has the most, about 38%, of its annual purchases made based on the least price only criteria which is comparable to Vodacom's of about 37%, whereas Tigo has the least amount of its annual purchases made based on least price criteria only, about 32%. Furthermoreanalysing the results.

Owing to the fact that all the three mobile services providers are subsidiaries of some global entity, for instance; Tigo is an affiliate of Millicom International Cellular which has 12 operation licenses for mobile services all over the world, Airtel is a subsidiary of Airtel India running 15 mobile services providing licenses all over the world, whereas Vodacom is an affiliate of Vodafone South Africa that is running 34 licenses all over the world, purchases on consolidated contracts are of value to be analysed for representation in this research.

Amount of Purchases (%) From Consolidated Contracts

Referring to Figure 1.3, it is worth noticing that of all the purchases made by each of the mobile services provider except for Airtel, capital goods are ones that are mostly purchased on consolidated contracts compared to any other type of purchases made. Specifically, Tigo does purchase much of its capital goods on consolidated contracts in comparison to Vodacom and Airtel. Purchasingon consolidated contracts increases the purchaser's power of negotiations considering the volume of purchases made from a single supplier upon consolidating all individual purchases.

Figure 1.3: Amount of Purchases (%) from Consolidated Contracts



Source: Research Field Data, 2011

Cost of Procurement

For the purpose of establishing the cost of procurement for every mobile service provider, weighted scores for the reasons behind making the buying from who decisions and purchases made based on consolidated contracts were considered for the frequency of responses with regards to the

total annual purchases made for every mobile service provider for goods and services related to capital investment, office utilities and operations.

Table 1.13: Weighted Score for Least cost of Procurement

Operator	Operational goods/services	Capital goods	Office Utilities	Total
Tigo	6.85	7.00	6.10	**19.95**
Vodacom	6.60	6.75	6.30	**19.65**
Airtel	6.65	6.80	6.05	**19.50**

Source: Research Field Data, 2011

Considering the least cost weighted scores for every mobile service provider, refer to Table 1.13, generally all the three mobile services provider are comparable in terms of lest cost assurance in procurement, although Tigo has the overall least cost of procurement cost score of **19.95** which is quite higher compared to Vodacom and Airtel who have **19.65** and **19.50** respectively.

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Prices Of Mobile Services In Tanzania As Affected By Procurement Strategy

In order to test the validity ofthe hypothesis that, "the Priceof Mobile Services decrease with the improvement in performance of Procurement Strategy, the mathematical expression "$\mathbf{P = D_1 + \propto_1 Q + \beta_1 C}$" presented in the model of this research in chapter two, is considered. Considering the obtained weighted scores for each mobile service provider, the ratios of the total scores for every parameter Price "P", Quality of Procurement "Q" and "Cost of Procurement" are considered. Ratios of the total weighted scores for every measured parameter are used in order to establish same units to be involved in mathematical computations, Table 1.14 and Table 1.15 refers.

Table 1.14: A combination of all Weighted Scores per Measured Parameter per Provider

Operator	Competitive Advantage			Procurement Performance	
	Price	Accessibility	Reliability	Cost	Quality
Airtel	26.20	28.40	52.50	19.50	3.75
Tigo	39.90	27.60	51.10	19.95	3.65
Vodacom	26.10	29.50	53.50	19.65	3.70
Total	**92.20**	**85.50**	**157.10**	**59.10**	**11.10**

Source: Research Field Data

Table 1.15: Weighted Scores per Measured Parameter expressed as Ratios

Operator	Competitive Advantage			Procurement Performance	
	Price	Accessibility	Reliability	Cost	Quality
Airtel	0.284	0.332	0.334	0.330	0.338
Tigo	0.433	0.323	0.325	0.338	0.329
Vodacom	0.283	0.345	0.341	0.332	0.333
Total	**1.00**	**1.00**	**1.00**	**1.00**	**1.00**

Source: Research Field Data

In order to compute for the constants $\mathbf{D_1}$, $\mathbf{\propto_1}$and $\mathbf{\beta_1}$, the scores for the Price of mobile services, Quality and Cost of procurement for every mobile service provider are separately considered, as follows:

$\mathbf{P = D_1 + \propto_1 Q + \beta_1 C}$ …..(i)

Let "A" represent Airtel, "T" represent Tigo and "V" stand for Vodacom, therefore;

$P_A = D_1 + \propto_1 Q_A + \beta_1 C_A$ …..(ii)

$P_T = D_1 + \propto_1 Q_T + \beta_1 C_T$ …..(iii)

$P_V = D_1 + \propto_1 Q_V + \beta_1 C_V$ …..(iv)

Substituting the values for P_A, Q_A, C_A, P_T, Q_T, $C_T$and P_V,Q_V, C_V, from Table 1.15, into equations (ii), (iii) and (iv) respectively;

$0.284= D_1 + 0.338\propto_1 + 0.330\beta_1$ …..(v)

$0.433= D_1 + 0.329\propto_1 + 0.338\beta_1$ …..(vi)

$0.283= D_1 + 0.333\propto_1 + 0.332\beta_1$ …..(vii)

In equation (v), make $D_1$the subject;

$D_1= 0.284-0.338\propto_1-0.330\beta_1$ …..(viii)

Substitute equation (viii) into equation (vi)

$0.433= 0.284-0.338\propto_1-0.330\beta_1 + 0.329\propto_1 + 0.338\beta_1$

$0.149= 0.008\beta_1 -0.009\propto_1$

Multiply throughout by "1000"

$149= 8\beta_1 -9\propto_1$ …..(ix)

Substitute equation (viii) into equation (vii)

$0.283= 0.284-0.338\propto_1-0.330\beta_1 + 0.330\propto_1 + 0.332\beta_1$

$0.001= 0.002\beta_1 -0.005\propto_1$

Multiply throughout by "1000"

$1= 2\beta_1 -5\propto_1$ …..(x)

Make β_1 the subject in equation (ix)

$\beta_1 = (149 + 9\propto_1) /8$ …..(xi)

Substitute equation (ix) into equation (x)

$1= 2((149 + 9\propto_1) /8)-5\propto_1$

$8= 2(149 + 9\propto_1)-40\propto_1$

$8= 298 + 18\propto_1 -40\propto_1$

$290 = 22\propto_1$

$\boldsymbol{\propto_1 = 13.18}$

Substitute the obtained value for $\propto_1$ into equation (xi)

$\beta_1 = (149 + 9(13.18)) /8$

$\boldsymbol{\beta_1 = 33.45}$

Substitute the obtained values for $\propto_1$and β_1 into equation (viii)

$D_1= 0.284-0.338\ (13.18)-0.330(33.45)$

$\boldsymbol{D_1 = -15.21}$

Substitute the obtained values for $\propto_1$, $\beta_1$and D_1 into equation (i)

$\boldsymbol{P = -15.21+ 13.18Q + 33.45C}$

From the above obtained equation relating relief in Price of Mobile Services (P) to the Performance of Procurement Strategy, measured in terms of the parameters of; Good Quality (Q) and Least Cost (C) of procurements made in the mobile communication industry, whileconsidering the signs and the magnitude of the gradients for the aforesaid parameters,it is vivid that;(i) improvement in the Quality of procurement (Q) has a positive gradient in relation to the relief in price of mobile services, which indicates that improvement in Quality of procurement results into a reduction in Prices of mobile services (ii)Least Cost (C) of Procurements in Mobile communication industry has positive relationship to the relief in Price of Mobile Services (P), which indicates that Low Cost of procurement results into increased relief in the Prices of the offered Mobile Services.

Therefore, driving from the above analyses and considering that in this research work Performance of Procurement Strategy has been measured in terms of Cost and Quality of procurements made in the mobile communication industry, it can thus be generalized that, improving

the Performance of Procurement Strategy in the Mobile communication industry by a unit increase in the Quality of Procurement and a unit decrease in the Cost of Procurements, results into increased relief in the Prices of mobile services as thus nullifying the hypothesis "The Price of Mobile Services does not reduce with the improvement in performance of Procurement Strategy".

Accessibility of mobile services in Tanzania as affected by Procurement Strategy

In order to test the validity of the hypothesis that, "the Accessibility of Mobile Services increases with the improvement in performance of Procurement Strategy, the mathematical expression "**$A = D_2 + \propto_2 Q + \beta_2 C$"** presented in the model of this research in chapter two, is considered. Considering the obtained weighted scores for each mobile service provider, the ratios of the total scores for every parameter Accessibility"A", Quality of Procurement "Q" and "Cost of Procurement" are considered. Ratios of the total weighted scores for every measured parameter are used in order to establish same units to be involved in mathematical computations, Table, 1.15 refers.

Computing for the constants $\mathbf{D_2}$, $\mathbf{\propto_2}$and $\mathbf{\beta_2}$, the scores for the Accessibility of mobile services, Quality and Cost of procurement for every mobile service provider are separately considered, as follows:

$\mathbf{A = D_2 + \propto_2 Q + \beta_2 C}$ …..(i)

Let "A" represent Airtel, "T" represent Tigo and "V" stand for Vodacom, therefore;

$A_A = D_2 + \propto_2 Q_A + \beta_2 C_A$ …..(ii)

$A_T = D_2 + \propto_2 Q_T + \beta_2 C_T$ …..(iii)

$A_V = D_2 + \propto_2 Q_V + \beta_2 C_V$ …..(iv)

Substituting the values for A_A, Q_A, C_A, A_T, Q_T, $C_T$and A_V, Q_V, C_V, from Table 4.16, into equations (ii), (iii) and (iv) respectively;

$0.332 = D_2 + 0.338\propto_2 + 0.330\beta_2$ …..(v)

$0.323 = D_2 + 0.329\propto_2 + 0.338\beta_2$ …..(vi)

$0.345 = D_2 + 0.333\propto_2 + 0.332\beta_2$ …..(vii)

In equation (v), make $D_1$the subject;

$D_2 = 0.332 - 0.338\propto_2 - 0.330\beta_2$ …..(viii)

Substitute equation (viii) into equation (vi)

$0.323 = 0.332 - 0.338\propto_2 - 0.330\beta_2 + 0.329\propto_2 + 0.338\beta_2$

$-0.009 = 0.008\beta_2 - 0.009\propto_2$

Multiply throughout by "-1000"

$9 = 9\propto_2 - 8\beta_2$ …..(ix)

Substitute equation (viii) into equation (vii)

$0.345 = 0.332 - 0.338\propto_2 - 0.330\beta_2 + 0.333\propto_2 + 0.332\beta_2$

$0.013 = 0.002\beta_2 - 0.005\propto_2$

Multiply throughout by "1000"

$13 = 2\beta_2 - 5\propto_2$ …..(x)

Make β_2 the subject in equation (ix)

$\beta_2 = (9\propto_2 - 9)/8$ …..(xi)

Substitute equation (ix) into equation (x)

$13 = 2((9\propto_2 - 9)/8) - 5\propto_2$

$104 = 2(9\propto_2 - 9) - 40\propto_2$

$104 = 18\propto_2 - 18 - 40\propto_2$

$122 = -22\propto_2$

$\boldsymbol{\propto_2 = -5.55}$

Substitute the obtained value for $\propto_2$ into equation (xi)

$\beta_2 = (9(-5.55) - 9)/8$

$\boldsymbol{\beta_2 = -7.37}$

Substitute the obtained values for $\propto_2$and β_2 into equation (viii)

D_2= 0.332-0.338 (-5.55)-0.330(-7.37)
D_2= 4.64
Substitute the obtained values for $\propto_2$, $\beta_2$and D_2 into equation (i)
A = 4.64-5.55Q –7.37C

From the above obtained equation relating easy Accessibility of Mobile Services (A) to Performance of Procurement Strategy measured in terms of the parameters of;the Quality of Procurements (Q) and Cost of Procurement (C), considering the signs and the magnitude of the gradients for the aforesaid parameters, it is evidenced that; (i) the quality of procurement (Q) has a negative gradient in relation to the ease in accessibility of mobile services, which signifies that improvement in the quality of procurement results into reduced accessibility level of mobile services, and (ii) the cost of procurements (C), likewise has a negative slope relationship to the ease of accessibilityof mobile services, a relationship whichindicates that;as the cost of procurements made increases the accessibility of mobile services reduces.

Therefore considering the above analyses and considering that in this dissertation, Performance of Procurement Strategy is measured in terms of the Cost and Quality of procurements made,it can thus be generalized that; since Accessibility of mobile services is more negatively elastic to Cost of procurements compared to the Quality of procurements made, improvement of the Performance of Procurement Strategy throughreducing the Cost of procurements made in mobile communication industry by a unit and increasing a unit Quality of procurements made, globally results into an increase in the ease of Accessibility of mobile services as thus nullifying the hypothesis "Accessibility of Mobile Services does not increase with the improvement in performance of Procurement Strategy".

Reliability of mobile services in Tanzania as affected by Procurement Strategy

Under this section, the validity of the hypothesis that, "the Reliability of Mobile Services increases with the improvement in performance of Procurement Strategy, the mathematical expression "**$R = D_3 + \propto_3 Q + \beta_3 C$"** presented in the model of this research in chapter two, is considered. Considering the obtained weighted scores for each mobile service provider, the ratios of the total scores for every parameter Reliability"R", Quality of Procurement "Q" and "Cost of Procurement" are considered. The ratios of the total weighted scores for every measured parameter are used in order to establish like units for mathematical computations, Table, 4.16 refers.

Computing for the constants **D_3, $\propto_3$**and **β_3**, the scores for the Reliability of mobile services, Quality and Cost of procurement for every mobile service provider are separately considered, as follows:

$R = D_3 + \propto_3 Q + \beta_3 C$ …..(i)
Let "A" represent Airtel, "T" represent Tigo and "V" stand for Vodacom, therefore;
$R_A = D_3 + \propto_3 Q_A + \beta_3 C_A$ …..(ii)
$R_T = D_3 + \propto_3 Q_T + \beta_3 C_T$ …..(iii)
$R_V = D_3 + \propto_3 Q_V + \beta_3 C_V$ …..(iv)
Substituting the values for R_A, Q_A, C_A, R_T, Q_T, $C_T$and R_V, Q_V, C_V, from Table 4.16, into equations (ii), (iii) and (iv) respectively;
$0.334 = D_3 + 0.338\propto_3 + 0.330\beta_3$ …..(v)
$0.325 = D_3 + 0.329\propto_3 + 0.338\beta_3$ …..(vi)
$0.341 = D_3 + 0.333\propto_3 + 0.332\beta_3$ …..(vii)
In equation (v), make $D_1$the subject;
$D_3 = 0.334 - 0.338\propto_3 - 0.330\beta_3$ …..(viii)

Substitute equation (viii) into equation (vi)
$0.325 = 0.334 - 0.338\propto_3 - 0.330\beta_3 + 0.329\propto_3 + 0.338\beta_3$
$-0.009 = 0.008\beta_3 - 0.009\propto_3$
Multiply through by "-1000"
$9 = 9\propto_3 - 8\beta_3$ …..(ix)

Substitute equation (viii) into equation (vii)
$0.341= 0.334-0.338\propto_3-0.330\beta_3+ 0.333\propto_3 + 0.332\beta_3$
$0.007= 0.002\beta_3-0.005\propto_3$
Multiply through by "1000"
$7= 2\beta_3-5\propto_3$ …..(x)
Make β_3 the subject in equation (ix)
$\beta_3 = (9\propto_3 - 9) /8$ …..(xi)
Substitute equation (ix) into equation (x)
$7= 2((9\propto_3 - 9) /8)-5\propto_3$
$56= 2(9\propto_3 - 9)-40\propto_3$
$56= 18\propto_3-18 - 40\propto_3$
$74= -22\propto_3$
$\boldsymbol{\propto_2 = -3.36}$
Substitute the obtained value for $\propto_3$ into equation (xi)
$\beta_3 = (9(-3.36) - 9) /8$
$\boldsymbol{\beta_3 = -4.91}$
Substitute the obtained values for $\propto_3$and β_3 into equation (viii)
$D_3= 0.334-0.338 (-3.36)-0.330(-4.91)$
$\boldsymbol{D_3= 3.10}$
Substitute the obtained values for $\propto_3$, $\beta_3$and D_3 into equation (i)
$\boldsymbol{R = 3.10–3.36Q –4.91C}$

From the above obtained equation relating easy Reliability of Mobile Services (R) to the performance of Procurement Strategy, measured in terms of Quality of Procurements (Q) and Cost of Procurement (C), by considering the signs and magnitude of the slopes for the aforesaid parameters, it has been evidenced that; (i) the quality of procurement (Q) has a negative gradient in relation to the Reliability level of mobile services, indicating that improvement in the quality of procurement results into reduced level of Reliability of mobile services, and (ii) the cost of procurements (C), likewise has a negative slope in relation to the Reliability of mobile services which depicts that; as the Cost of Procurements made in mobile communication industry increases, the Reliability level of mobile services decreases

Therefore, departing from the above analyses and considering that in this dissertation, Performance of Procurement Strategy is measured in terms of Cost and Quality of procurement, it can thus be generalized that; since the level of Reliability of mobile services is more negatively elastic to the Cost of Procurements made in the mobile communication industry in comparison to the Quality of procurements, therefore improving Performance of Procurement Strategy by reducing the Cost of procurements by a unit and by increasing the Quality of procurement by a unit, results into the overall improvement in the level of Reliability of mobile services whichnullifies the hypothesis "Reliability of Mobile Services does not increase with the improvement in performance of Procurement Strategy".

CONCLUSIONS AND RECOMMENDATIONS

Considering the findings of this research, four major conclusions can be deduced; Firstly, generally it can be said that almost all mobile users or customers in Tanzania mobile communication market are using mobile services from at least two mobile services providers, whereby either the sim cards are used interchangeably in one mobile device or concurrently in different devices or devices with dual sim functionalities. This fact is contributed to by the fact that mobile services providers offer reduced prices of mobile services for mobile service activities carried out on their network. On top of this observation, worth to note is that of all the respondents in this research, whoever with twosim cards, one of them was a Tigo line. This fact is contributed to by the fact that Tigo has overall cheap prices for the core services that were considered in this research; voice, SMS and data.

Secondly, considering the customers' driving factors in selecting which mobile service provider to use, it can generally be said that in Tanzania mobile communication market, the price of mobile

services is the most dictating factor for mobile service provider selection. Additionally, wherethe influence from friends seems to be quite a factor of consideration when customers are selecting their first mobile service provider, it is not identified as a strong contributing factor when selecting the most preferable mobile service provider having used the mobile services after sometime.

This is contrastedto by the reason for mobile service variety which is seen not to be quite a driving factor for customers' selection behavior of their first mobile services provider but rather becomes significant when customers are selecting their most preferable mobile service provider. This behavior can be explained by the fact that, when a user is into buying mobile services for the first time, normally a drive or guide is triggered by the experience from friends and or close relatives, a factor which changes after when a customer has actually used the services and thus preference turning into being dictated by one's services experience, thus making services variety to become a significant factor for post mobile services provider preference.

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SWOT Analysis as a Tool to Enhance Competitiveness of Indian Software Industries

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ABSTRACT:

Software industry is becoming one of the largest industries in Indian IT sector. The Indian software industry has impacted the economy far beyond the boundaries of the sector. It has placed the nation on the global map in terms of technological capabilities. Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis is a strategic tool which facilitates organizations and industries not only to develop their competitiveness but also ensures growth and success. The objective of this study is to do SWOT analysis of Indian Software Industries to enhance their competitiveness in this dynamic environment. This would also help to promote and develop the industry.This paper based on secondary data and in depth literature review will focus on SWOT analysis for the Indian Software industry and also discuss the structure, strategy and competitiveness of the industry.

Key words: Analysis, Competitiveness, Indian, Industry, IT Sector, Software, SWOT, Tool

Introduction

The Indian IT sector is growing rapidly and it has already made its presence felt in all parts of the world. IT has a major role in strengthening the economic and technical foundations of India. Indian professionals are setting up examples of their proficiency in IT, in India as well as abroad.The sector can be classified into 4 broad categories - IT Services, Engineering Services, ITES-BPO Services, and E-Business. IT Services can further be categorized into Information Services (IS) outsourcing, packaged software support and installation, systems integration, processing services, hardware support and installation and IT training and education.Engineering Services include Industrial Design, Mechanical Design, Electronic System Design (including Chip/Board and Embedded Software Design), Design Validation Testing, Industrialization and Prototyping.The Indian software industryhas placed the country on the world map in terms of entrepreneurial and technological competences. It hasset not only example for other emerging countriesthat are looking to succeed in this industry but also in terms of export orientation, strategic alliances and foreign investment. It providesa stiff challenge to many developed countries in terms of quality software service delivery and has transformed the liberalization and modernization processes in the country.Accordingto NASSCOM in 2002,Indian softwareindustries output value is $10.1 billion, which was increased by 22 percent from last year 2001; the exports volume is $7.68 billion, which was 29 percent growth. Thetechnological innovations of the Internet and the worldwide web have expanded the debate of the natureof organizations and the way people work.

SWOT analysis refers to analyzing the Strengths, Weaknesses, Opportunities and Threats. However, SWOT analysis in management refers to is a structured planning method used to evaluate the strengths, weaknesses, opportunities and threats involved in a project or in a business venture. A SWOT analysis can be carried out for a product, place, industry or person. It involves specifying the objective of the business venture or project and identifying the internal and external factors that are favorable and unfavorable to achieve that objective. Some authors credit SWOT to Albert Humphrey, who led a convention at the Stanford Research Institute (now SRI International) in the 1960s and 1970s using data from Fortune 500 companies. Humphrey, Albert (2005).

Hence, SWOT analysis means identifying first:

- Strengths: characteristics of the business or project that give it an advantage over others.
- Weaknesses: characteristics that place the business or project at a disadvantage relative to others.
- Opportunities: elements that the project could exploit to its advantage.
- Threats: elements in the environment that could cause trouble for the business or project.

Identification of SWOTs is important because they can be of great utility in the latter steps in planning to achieve the objective. First, the decision makers should consider whether the objective is attainable, given the SWOTs. If the objective is *not* attainable a different objective must be selected and the process repeated.Users of SWOT analysis need to ask and answer questions that generate meaningful information for each category (strengths, weaknesses, opportunities, and threats) to make the analysis useful and find their competitive advantage. Thus, itinvolves specifying the objectives of the business project and identifying the internal and external factors that are favorable and unfavorable to achieve those objectives. A SWOT analysis helps explain strategic advantages. Strengths are attributes of the person or company helpful in achieving the objective, while weaknesses are attributes of a person or company, harmful in achieving the objective. Opportunities are the external conditions, helpful in achieving the objective and threats are external conditions which could do damage in the objective.

Competitiveness is a multidimensional and relative concept and the significance of the factors of competitiveness change with time and context (Ambastha and Momaya 2004). Competitiveness can be at three levels, at the basic firm level, the industry level and the country level. Some academics believe that country and industry are mere facilitators and it is firm level competitiveness that is important. The sources of competitiveness are the assets and processes within an organization that provide competitive advantage (Ambastha and Momaya 2004).

Today Indian software industries have to compete on two fronts; at the global market – as majority of its revenue comes from exports and at the growing domestic market. The intense level of global competition faced is a huge push factor for enhancing firm-level competitiveness. This has bound the firms to constantly increase performance standards in many dimensions, including quality, cost, productivity, product introduction time, and smooth flowing operations. At the domestic front, both competition and cooperation are witnessed. As the domestic market grows, the inter-firm competitiveness is getting stiffer but the regulated trade environment leads to many synergetic alliances as well.

Objective

The core objective of this paper isto study the SWOT analysis (its strengths, weaknesses, opportunities and threats) tool to Enhance Competitiveness of Indian Software Industries. The paper also looks into what are the scenarios for growth of Software industries in the current scenario. Software industriesare one of the grown and still more growing industries. Softwareindustry has become one of the most significant growth substances for Indian economies. Software Industryare a knowledge based industry has the tremendous potential of becoming an engine of accelerated economic growth, productivity improvement for all sectors of the Indian economy and means of efficient governance. SWOT analysis enhances as tool for the factors shaping the competitive position of the software industries in the global arena.

Background

In 1998-99, the software industry in India was worth Rs. 158.9 billion (US$ 3.9 billion). If the value of in-house development, which is taking place at many large corporate organizations, is added then the figure would touch around Rs. 190 billion (US$ 4.6 billion). This impressive growth has not been achieved overnight. The C.A.G.R (Compounded Annual Growth Rate) for the Indian software industry revenues in the last five years has been 56.3 percent. Here the C.A.G.R. for the software export industry has been 60.71 percent while that for the domestic market has been 46.05 percent. (NASSCOM, DeitY)

In 1998-99, the domestic software market has been estimated at Rs. 49.5 billion (US$ 1.25 billion) and this does not include the in-house development of software by end users. The domestic software market has shown a C.A.G.R. of 46.05 percent which has been steadily improving in the last few year. The growth rate of the domestic software market was 41.02 percent 1998-99. The domestic software market is expected to gross Rs. 73 billion in 1999-2000. With the rigorous enforcement of Copyright laws, increase in government spending on I.T. it is expected that in the coming years, the domestic market for software can even register more than 50 percent annual growth rates.Also, the government has implemented zero import duty on software. This is already having floating effect on the market and there is an increasing trend of buying software through the Internet. It is expected that by 2008 revenues of Indian domestic software market would touch US $ 37 billion. In the next few years, the prominent growth in the domestic software market is expected to get boost by segments such as banking, E-governance, defence, etc.(NASSCOM, DeitY)

The Indian software export industry continues to show impressive growth rates. In terms of Indian rupees, the C.A.G.R. over the past five years has been as high as 60.71 percent. The industry exported software and services worth Rs. 0.30 billion (U.S. $ 0.03 billion) in 1985; in 1998-99, a total export of Rs. 109 billion (U.S. $ 2.65 billion) was achieved and it is expected that during 1999-2000, software exports will be worth Rs. 172 billion (U.S. $ 3.9 billion). The software industry in India expects to reach an export level of U.S. $ 6.3 billion by 2000-01 and U.S. $ 10 billion by 2001-02. The National IT Task Force of India has set a target of U.S. $ 50 billion of annual I.T. software and services exports by 2008. (NASSCOM, DeitY)

For achieving this velocity of business, both the software industry and the Government of India are currently taking some bold and focused steps. Amongst others, this exercise includes path-breaking measures adopted by the National IT Task Force to further liberate the economy, simplification of procedures, and deployment of additional resources for technical manpower development, new marketing channels, enhancing global brand equity and providing state-of-the-art infrastructure for software development. The drive on I.T. services like E-commerce, Software Development, Interactive Integration services, Application Service Providers (ASP's).

The growing of new software companies until a couple of years ago was limited to a few cities. The industry was mainly concentrated around Bangalore, Mumbai, Chennai, Delhi, Pune, Hyderabad and Calcutta. Most of the state governments have today accorded the highest priority to the development of the IT sector in their states.

Discussion and Findings

SWOT Analysis of Indian Software Industry

Strengths

Indian software industries quality is the trademark which provides high quality.The key components are good quality knowledge workers and good-looking price performance. The basic foundation for any software development activity is the availability of quality knowledge workers. India's main competitive advantage is its abundant, high-quality and cost effective human resources.According to Department of Communications and ITof government of India For the entire 2012-13 fiscal, 640,000 professionals were employed in the domestic market, while, the number of persons working in the foreign markets in the IT-ITeS sector stood at 23,24,000 during the period, he added.This is the second largest I.T. work force in the world. The Information and Communication Technology(ICT) in schools have been subsumed in the Rashtriya Madhyamik Shiksha Abhiyan (RMSA) to provide computer education to all and smart school.A strong base of national institutes, engineering college and universities has laid a strong foundation of education in engineering skills amongst Indian software professionals.

Services offered by software companies in India are Custom Business solutions, Collaborative Content Management, Internet Marketing, Web Branding Services, DatabaseMigration services, Customization Services, Application Development, Outsourcing, ERP solutions, IPhone Apps development, Collaborative Commerce, Programming Services, Quality assurance and testing services, Multimedia offering, Consulting, IT Business Sectors.

Most of the software companies in India are into varied types of business. Infrastructure Software: These include OS, middleware and databases.Enterprise Software: These automate business process in diverse verticals like finance, sales and marketing, production and logistics.Security Software, Industry-specific Software, Contract Programming etc. Indian software professionals easily adapt themselves to new technologies. Software programmers from India are able to provide expertise for all or large projects with dollar savings. The motto is ultimate adherence delivery schedules and customer satisfaction. Indian software industries increasingly large numbers are demonstrating their ability to handle large projects,a software export as well as the domestic demand in the last few years has been consistently growing at annual growth rate of about 50 percent. India's success in providing efficient software solutions can be also attributed to the mathematical and logical ability Indian's. The Indian IT software and services industry has set itself higher aspirations and goals.The time difference with USA was converted to an advantage for the industry to be able to offer 24 hour turnaround capability to US firms.

Policy changes beginning in the 1970s began to shift India towards a focus on software exports (Correa 1996). Further policy revisions in the mid- 1980s, trade liberalization policies and software technology parks provided the infrastructure to allow offshore software production for foreign customers. Concentrated government efforts ever since have promoted the making of the industry.Since 1999 the Government of India has accorded thrust area status to the software sector. The Government has amended the Copyright Law to make it one of the toughest in the world; eliminated import duty on computer software; exempted profits derived from software exports from Income Tax etc. The Government of India has also set up innovative scheme like Software Technology Parks, etc., for promoting software exports. A growing number of State Governments and cities are building hi-tech buildings and habitats to accommodate the ever increasing numbers of software companies and enterprises. These are in the form of intelligent habitats and buildings and include infrastructural support like high- class value-added data communication services, captive power, recreational facilities, etc. They incorporate state-of- art facilities viz. plug-and-play features. This is assisting companies to quickly set up their software operations in India.

Weaknesses

Although, a few companies have started making shrink-wrapped software packages, the industry as a whole is still not oriented towards development of world class 'shrink-wrapped' software packages. Thus, the industry is not able to take advantage of a multiplier effect for growth in revenues. Lack of adequate computerization has led to a relatively weak domestic software market. Even, the PC penetration rate is very low.With low penetration of PC's; it is obvious that Internet penetration is also poor. The Indian software industry possesses the expertise to absorb and use the latest technology. However, barring a few exceptions, it has still not produced enough original technology breakthroughs. Succinctly put, the industry has not created original operating systems or new computer languages and technologies, which could be used globally.Some of the leading companies in India have handled software development for mission critical real time operations. However, the industry as a whole does not have much experience in this field. As the Indian software industry has been growing at a fast rate, most of the project managers are becoming entrepreneurs, thus creating a gap in demand and supply of project management skills. In building a robust venture creation process, India still faces few constraints. To build a prolific venture community, India needs to focus on boosting all stages of venture creation process and have simplified procedures so that the domestic Venture Capital movement can flourish and overseas Venture Capital funds can be attracted. With the exception of isolated cases, not much exists in providing software applications in innumerable local languages. Thus, computer penetration in India is restricted to merely the English speaking population.

Opportunities

The market is large and rapidly changing-from a mix of legacy client server to web / package-based services. Market openings are emerging across I.T. services, software products, I.T. enabled

services and E-businesses, and creating a number of new opportunities for Indian companies.According to NASSCOM the corporate, government and consumer sector of the Indian domestic market offers a U.S. $ 18 billion opportunity by 2008 to software and services companies.The global outsourcing business was worth U.S. $ 77 billion in 1997 and has been growing at the rate of 15-18 percent per annum. A recent survey indicates that by 2002, more than 59 percent of the Fortune 1000 companies and other multinationals will outsource some part of their application development and maintenance activities. India can gain and corner a greater marketplace. India not only has a huge opportunity to service this market but also has a unique opportunity to address the needs of the NRI community around the world.India today commands a very high respect among investors in India and overseas. Almost all major overseas stock exchanges -are keen for Indian software companies to list themselves on their respective exchanges. This is a major opportunity for the Indian software industry to attract the requisite investments. The recent permission to allow private ISP's operate in India and set up their own gateways will unprecedented Internet proliferation throughout India.It is imperative that the industry goes up the value chain and progressively increases domestic market development with a focus on both software and systems. It is required that the industry provide total solutions, including installation of hardware and software and also post installation maintenance and upgrades. The industry approach has to change from taking cost based leverage to innovation capability based advantage (Parthasarathi and Joseph 2002, D'Costa 2002).

Threats

In the past decade, the Government and industry have worked very well together in India for the success of the I.T. software and services industry. Now the Government's role needs to be increasingly directed towards providing suitable infrastructure and continuing its role in the simplification of policies. Any further plans for Government control, restrictions interference could well pose a threat to the industry. The immediate need of the hour in India is to have a world class telecom infrastructure at globally competitive tariffs. The Department of Telecommunications has taken a number of initiatives including the National Telecommunication Backbone, National Internet Backbone, and plans for providing high bandwidth Internet connectivity to remote corners of India. However, Government monopoly, lack of speed and adherence to outdated telecommunication rules and regulations can prove to be a threat to the industry. The world is moving at the speed of Internet. The decision- making and time taken for implementation in India needs to be at a much faster pace so that the Indian I.T. software and services industry does not lose any opportunities.

Although, the software industry is growing at a phenomenal rate, many other sectors in India have not yet been able to keep pace with it. Lately, almost all major cities are building hi-tech buildings to house the software industry. These buildings have state-of-art infrastructure, data communication facilities, captive power etc. But, lack of power, highways, housing and international airports is some cities have become a major constraint.Rising cost of infrastructure, basic services and salaries can pose a threat if not sufficiently balanced with value addition.

Recommendations

New entrants have to be aware that there exist a number of smaller, less visible competitors. It has been established that the dominant and powerful firms have a tendency to engage in low technology business activities, whereas the less dominant firms are involved with high technology activities. Thus, new entrants can select the segment they want to compete in based on their resources and exploration/exploitation strategies. They can identify whether their competitors will be major or minor market players. Small, in-experienced and less dominant firms might want to consider entering into cooperative agreements with other experienced or larger firms to gain synergetic advantage until their own resources are built. (Majumdar et al. 2010)

Bhatnager and Madon (1997) suggest that investors are very positive about the future of the Indian software companies due to the good performance of the firms in the Indian capital markets and their continued investment in them. Until the late 1980s firms could not tap the equity market and therefore started with a low capital base. But today the scenario has changed and the industry is well

established as a profit maker. New companies can now draw on financial institutions and public for capital. Critical size is seen to have achieved by start-ups in a matter of 1-2 years and they are performing well on the equity market. Another consideration for competition are the many non IT companies that are moving into software to tap the higher return business.

Conclusion

Nowadays, the proportion between software and hardware is changing. Hardware prevails in past but now it is software. Software industry will become thelargest industry of IT market and it is a sunrise industry with the fastest speed to develop already. BillGates believes that there is no so called limit in developing of software industry. According to the report of New York Times,FEBRUARY 23, 2012 the cost of development software can reduce 20 percent, owing to our policy to develop software industry and cheap labor cost.

In conclusion, the easily available investments and high income industry, lower entry obstacles. Also, the precedence of successful startups and list of strengths and opportunities mentioned, make the industry a practicalalternative for business. With the right combination of capital, human resource, products and services and the correct positioning according to the assessment of the structure and competitiveness of the industry, it will always be a sound investment to enter the Indian software industry.

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Financial Inclusion through Regional Rural Banks (RRBs) – Dream or Reality

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"The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little."

- Franklin D. Roosevelt

ABSTRACT

Financial inclusion is stepping stone for inclusive growth. Banking sector has witnessed tremendous changes in recentperiod in terms of advancement in technology like internet banking, transfer money online, debit card and credit card facilityetc. Still financialinclusion looks like a long unachievable dream.Regional rural Banks play a vital role in rural development of India and to spread financial inclusion. Regional Rural Banks are setup to take banking facilities to the door steps of rural households who are in need of easy and cheap credit. These are institutions which strive to turn dream into reality.

C K Prahlad focused on "Bottom of the pyramid" approach and when real India lies in villages the focus of the RRB's is to strengthen the backbone of Indian Economy. The objective of economic planning can never be achieved unless we uplift the rural economy and rural people of India. This study is based on secondary data collected form annual reports of NABARD, RBI and other financial institutions.The study finds and concludes that Regional Rural Banks have significantly made financial inclusion a reality. The study will help researchers, academicians and policy makers to try and the reach more in-depth into the bottom of pyramid.

Keywords: Financial inclusion, Regional ruralbanks (RRBs), Reserve Bank of India (RBI), NABARD

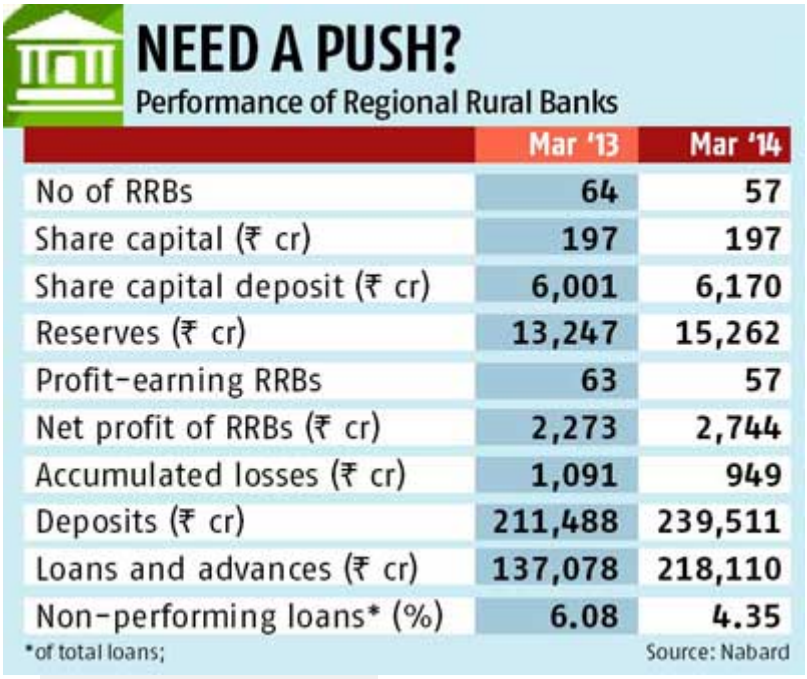
Introduction

Regional Rural Banks (RRB's) have been in existence for around three decades in the Indian financial system. RRB's in India started with an Ordinance circulated on 26th September 1975 with an objective to provide sufficient and easy credit to rural households for agriculture and other rural services. To provide low – cost banking facilities, Narsimhan Committee in 1975 put in lot of efforts to come up with the idea of a new set of regionally oriented rural banks. The idea behind the formation was to inculcate the local feel and familiarity of rural problems with features of cooperatives and large resource base of commercial banks.This new development in the financial system of India can be seen as a unique experiment as well as an experience in improving the effectiveness of the rural credit delivery mechanism.

The prime objective behind establishment of RRB's is a great saying by Gandhiji "Real India lies in the villages".In October 1975, Prathama Bank was the first RRB thatcame into existence. RRB's are also known as '**Gramin Bank**' (*Gramin in hindi means rural*). The share capital of RRB was contributed by (owners) Government of India, the concerned State Governmentand the sponsored bank in the proportion of 50%, 15% and 35%, respectively. RRBs mobilize deposits primarily from rural/semi-urban areas and provide loans and advances mostly to farmers, rural and artisans as well as to the lower sector of the society.RBI in 2001 constituted a Committee under the Chairmanship of Dr V S Vyas on "Flow of Credit to Agriculture and Related Activities from the Banking System" which examined relevance of RRBs in the rural credit system and the alternatives for making it viable. The consolidation process initiated in the year 2005 and 2012 as per Dr Vyas Committee

Recommendations reduced existing RRBs from 196 to 64.The following Figure (Fig 1) shows status of RRBs till 2014.

Performance of RRB's in 2014



NEED A PUSH?

Performance of Regional Rural Banks

	Mar '13	Mar '14
No of RRBs	64	57
Share capital (₹ cr)	197	197
Share capital deposit (₹ cr)	6,001	6,170
Reserves (₹ cr)	13,247	15,262
Profit-earning RRBs	63	57
Net profit of RRBs (₹ cr)	2,273	2,744
Accumulated losses (₹ cr)	1,091	949
Deposits (₹ cr)	211,488	239,511
Loans and advances (₹ cr)	137,078	218,110
Non-performing loans* (%)	6.08	4.35

*of total loans; Source: Nabard

Fig 1 : Published in www.business-standard.com on June 10, 2014 by Abhijit Lele in Mumbai edition

Provision of services by RRBs to the rural poor is under the preview of financial inclusion,a termed developed in 2005. It is the process of ensuring timely and adequate access to credit where needed by vulnerable groups such as weaker sections and low income groups1. The Government of India and the Reserve Bank of India have been making concerted efforts to promote financial inclusion as one of the important national objectives of the country through various measures.The prerequisite for financial inclusion is important to the people who
(a) do not have any access to the structured financial system;
(b) have inadequate access to banks and other financial services

In 2005 the concept of Financial Inclusion was first featured in Indialaunched by K C Chakraborthy, the chairman of Indian Bank. Mangalam a census town in Coimbatore, Tamil Nadubecame the first village in India where all households were provided banking facilities. RBI permitted commercial banks to make use of the services of non-governmental organizations (NGOs/SHGs), micro-finance institutions, and other civil society organizations as intermediaries for providing financial and banking services in January 2006. These intermediaries act as business facilitators or business correspondents by commercial banks. The bank directed the commercial banks in different regions to start a 100% financial inclusion campaign on a route-finder basis. As a result of the campaign states or U.T.s like Pondicherry, Himachal Pradesh and Kerala announced 100% financial inclusion in all their districts. By 2020the vision of Reserve Bank of India is to open nearly 600 million new customers' accounts and service them through a variety of channels by leveraging on IT.(The Role of RRB's in Financial Inclusion:An Empirical Study on West Bengal State in India)

Financial Inclusion Index

[1]*The Committee on Financial Inclusion, Chairman: Dr. C. Rangarajan in a speech published in www.rbi.org*

On June 25, 2013, CRISIL, India's credit rating and Research Company launched an index to measure the statusof financial inclusion in India, report released by P. Chidambaram, Finance Minister of India at a widely covered program at New Delhi. For preparing the index, CRISIL took into consideration three parameters of basic banking services ie. Number of Branches, Amount of Deposit and Credit penetration. The index termed as CRISIL Inclusix indicates that there is an overall improvement in the financial inclusion in India. The figure 2 below shows the contribution of RRB's in financial inclusion.

Contribution of RRB's to Financial Inclusion

Regional Rural Banks	Rural	Semi-Urban	Urban	Metropolitan	Total
	12722	3228	891	166	17007

Fig 2 - Source : www.financialservices.gov.in as on 31-03-2013

Initiatives taken by Reserve Bank of India for Financial Inclusion

In India, RBI has initiated several measures to increase the spread of financial inclusion to rural India, some of them are as follows:-

Opening of no-frills accounts: To involve every citizen in India into the mainstream of banking, RBI has initiated this step which aims at opening up a bank account with nil or minimum balance.

Relaxation on Know-Your-Customer (KYC) norms: To facilitate easy opening of the accounts especially for small customers, the Know Your Customer guidelines have been simplified so that these accounts can be opened by means of self-certification in the presence of bank officials.

Agent Banking Model – Use of Business Correspondents (BCs): In 2006, RBI permitted banks to engage business facilitators (BFs) and business correspondents (BCs) as intermediaries for providing doorstep financial and banking services.

Adoption of EBT: Banks have also been advised to implement EBT by leveraging ICT-based banking through BCs to transfer social benefits electronically to the bank account of the beneficiary and deliver government benefits to the doorstep.

GCC: With a view to help the poor and needy section of the society, banks are advised to provide access to easy credit, up to a certain amount at their rural and semi-urban branches.

Opening of branches in remote areas: To further step up the opening of branches in rural areas so as to improve banking penetration and financial inclusion rapidly, the need for the opening of more branches, besides the use of BCs, was felt.

Review of Past Studies

Dr. Mahammad Paheem Beg (2014) ((The Role of Regional Rural Banks (RRB's) in Financial Inclusion: An Empirical Study in India)a study on the role of RRBs in India in financial inclusion.An effort has been made in the instant project to study and find out whether RRBs in this region has made any progresstowards ensuring broader banking services for the rural poor people in strengthening the India's position in relation to financialinclusion.

B.G Srinivas, RaghavendraShanabhogara (2014) (Banking Sector Reforms and Development of Banking Industry, 2014)explained the development of RRB's using models of SWOT analysis and Porter"s Five Forces Model. It discusses measures initiated by the Reserve Bank in India [RBI] in order to implement the Reforms and Measures.

Soni Kumar Anil, KapreAbhay (2012)(A Study on Current Status of Regional Rural Banks in India, 2012)analyzed the financial performance of RRBs in India during the period 2006-07 to 2010-11. They had analyzed the performance using various key performance indicators such as number of banks, branches, loans, advances etc. and concluded a positive impact on the performance of RRBs.

Raghuram G. Rajan "(A Hundred Small Steps – Report of the Committee on Financial Sector Reforms, 2009)" Financial Inclusion, broadly defined, refers to universal access to a wide range of

financial services at a reasonable cost. These include not only banking products, but also other financial services such as insurance and equity products.

KhankhojeDilip and SathyeMilind (2008)(A Study on Current Status of Regional Rural Banks in India, 2012) To measure the variation in the performance in terms of productive efficiency of RRBs in India and to assess if the efficiency of these institutions has increased post-restructuring in 1993-94 on not.

NABARD (2002)(NABARD Report - Empowering RRB , 2002) found that viability of was essentially dependent upon the fund management strategy, margin between resource mobility and their deployment and on the control exercised on current and future cost with advances. The study further concluded that RRBs incurred losses due to the defects in their systems and as such, there was no need to rectify these and make them viable. The main suggestions of the study included improvement in infrastructure facilities and opening of branches by commercial bank in such area where regional rural banks were already open.

Prakash A.K.Jai (1996) (Performance Evaluation of Regional Rural Banks in India**)** analyzed the role of RRBs in Economic Development and revealed that RRBs played a vital role in the field of rural development. Moreover, RRBs were more efficient in disbursal of loans to the rural borrowers as compared to the commercial banks. Support from the State Governments, local participation, and proper supervision of loans and opening urban branches were some steps recommended to make RRBs further efficient.

Objectives

1. To study the spread of financial inclusion in India through RRB's.
2. To study if RRB's is an important player in Indian financial System.

Hypothesis

Ho : There is nospread of financial inclusion in India through RRB's

Ho :RRB is not animportant player for spread of financial inclusion in India.

Problems ofthe Study

1. A problem of this research work is analysis of financial data collected from secondary source.
2. Current Information pertaining to 2014 – 15 from NABARD and RBI is difficult to obtain.

Importance ofthe Study

The research study is significant as it aims to evaluate performance of RRBs in spreading financial inclusion in India. Theresults/ findings of the present study are useful to the policy planners in their efforts toimprove the working of the RRBs in India. It also provides a way to researchers to do further research on the topic.

Scope ofthe Study

1. It covers all RRBs working in India.
2. The study covers a specific period from 2010-2014
3. There is macro evaluation of performance of all the RRBs in India.

Research Methodology

The present study is diagnostic and exploratory in nature and makes use of secondary data.The financial performance of the RRBs in India has been analyzed with the help of keyperformance indicators. The year 2010-2011is taken as the base year and the calculations of growth are made on that basis. Growth rate is measured with the help of following formula-

Growth Rate = [(CY Value– BY Value / BY Value) *100] / No. of years between CY and BY
Where: CY = Current Year and BY = Base Year

Data Collection and Analysis

The study ismainly based on secondary data which is collected and accumulated mainly fromannual reports of the NABARD and RBI. The data collected is analyzed and spread of RRBs is studied using growth trend in the Number of branches increased every year. Also the loan taken and accounts handled growth trend show that the RRBs are improving financial inclusion. Therefore

1. To prove first Hypothesis : Analyze spread of RRBs in India from 2010 – 2014
2. To prove second Hypothesis : Analyze the number of accounts and loan taken from RRBs from 2010 – 2014

Findings

To Prove Hypothesis 1 look at the fig 3 below

STATUS OF FINANCIAL INCLUSION (AS ON 31 MARCH)

(No of Accounts in lakh)

Year	Deposit Accounts		Total loan a/cs	Of Total, to the Loan Accounts under Priority					Grand total of business a/c (Col.2+4)
	Total	No frills		GCC	SHG	KCC	Tenant	SSI/artisan/ SCC & retail traders.	
2009	935.54	153.81	170.66	3.22	8.04	114.71	0.95	33.00	1107.10
2010	1002.16	200.09	186.67	4.12	8.97	83.72	0.83	24.81	1188.67
2011	1112.30	255.06	197.87	4.59	9.34	90.33	1.09	20.89	1310.17
2012	1180.20	251.25	203.34	5.16	8.27	96.59	1.88	23.11	1383.54
2013	1348.25	319.59	217.87	6.01	9.59	104.93	1.97	21.44	1885.71

Fig 3 – Source :financialservices.gov.in/.../Consolidated%20Review%20RRB%202014

The above table shows that the number of loan accounts under RRBs in India have increased from 170 to 217. If we look at the separate accounts (KCC, SHG and GCC), the growth is more in GCC and No frills account. Also in fig 1 RRBs have shown that financial inclusion is improving Hence we can reject the null Hypothesis 2 and accept that there is a positive inclusion spread due to RRBs.

Trends in banking parameters in India

Items	2007	2008	2009	2010	2011	2012	2013	2014
1. No. of Commercial Banks	183	173	170	168	167	173	174	178
(a) Scheduled Commercial Banks	179	169	166	164	163	169	169	170
Of which: **Regional Rural Banks**	96	90	86	83	82	82	78	57
(b) Non-Scheduled Commercial Banks	4	4	4	4	4	4	4	4

Fig 4: Source : www.rbi.org

Also the total business has increased by 60%.The number of banks under RRBs have decreased due to amalgamation as compared to other banks. The growth of RRBs is calculated in the table below. The above mentioned RRBs have earned a profit of 2283 cr. Till August 2014. The aggregate reserves are 21299 till Aug 2014 (Report by RBI). This data helps us to reject the null Hypothesis 1 and accept that there is a positive growth of RRBs in India.

Future Challenges for Regional Rural Banks

Even after the positive findings that RRB's are successful in achieving the objective of financial inclusion to a great extent, still they have to overcome the following challenges to the path of Financial Inclusion:

1. All backward sections and informal sectors should be included up to a large extent.
2. Rural people are not much aware of financial inclusion because of illiteracy and the access to financial services should be increased.
3. People consider that financial services are costly and access is difficult because of the several reasons and this thought needs to be addressed.

Conclusion

RRBs serve the backward section of the society, the rural poor and people belonging to the lower income group. These banks play a significant role in ensuring sustainable development through financial inclusion.The objective of the paper has been proved and it can be concluded that spread of financial inclusion in India through RRB's is more than significant.RRB's is an important player in Indian financial System because of penetration and the increasing amount of loans and customers.

The dream of inclusive growth is still a dream but will be overcome with continual growth of RRBs and effective financial services. Thus at the end the paper concludes the RRBs have been able to achieve their objective to a great extent by providing banking and financial services to the rural people of India.

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A Study on Non- Performing Assets of Nationalised Banks in India

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Abstract:

A strong banking sector is important for flourishing economy. The crash of the banking sector may have an unfavorable blow on other sectors. Non-performing assets are one of the major concerns for banks in India. Non-performing assets, also called non-performing loans, are loans, made by a bank or finance company, on which repayments or interest payments are not being made on time. A high level of NPAs suggests high probability of a large number of credit defaults that affect the profitability and net-worth of banks and also erodes the value of the asset. The problem of NPAs, which was ignored till recently, has been given considerable attention after liberalization of the financial sector in India. At present NPA in the banking sector is increasing year by year particularly in nationalized banks. NPA is becoming the bane of nationalized banks. The prime aim of this paper is to give brief idea about the concepts of Non Performing Assets and trends of NPA in nationalized banks in India.

Keywords: NPA, Loans, Banking Sector

Introduction:

Banking essentially involves intermediation - acceptance of deposits and grants the loans and advances. Since the deposits received from the depositors have to be repaid to them by the bank, they are known as banks' 'Liabilities' and as the loan given to the borrowers are to be received back from them, they are termed as banks' 'Assets' so assets are banks' loans and advances.

In the traditional banking business of lending financed by deposits from customers, Commercial Banks are faced with the risk of default by the borrower in the payment of either principal or interest. This risk in banking parlance is termed as 'Credit Risk' and accounts where payment of interest and /or repayment of principal are not forthcoming are treated as Non-Performing Assets, as per the Reserve Bank of India, an asset, including a leased asset, becomes non-Performing when it ceases to generate income for the bank. Existence of Non-Performing Asset is an integral part of banking and every bank has some Non-Performing Assets in its advance portfolio.

NPAs reflect the performance of banks. A high level of NPAs suggests high probability of a large number of credit defaults that affect the profitability and net-worth of banks and also erodes the value of the asset. The NPA growth involves the necessity of provisions, which reduces the overall profits and shareholders value. The issue of Non Performing Assets has been discussed at length for financial system all over the world. The problem of NPAs is not only affecting the banks but also the whole economy. In fact high level of NPAs in Indian banks is nothing but a reflection of the state of health of the industry and trade.

Objectives of the Paper:

The present paper is based upon the study on Non Performing Assets within the Nationalized Banks in India. Specifically the objectives of the study are:

1. To discuss the conceptual framework of Non Performing Asset in banking.
2. To study the Trends of NPA in nationalized banks in India

Meaning Non-Performing Assets (NPA):

Non-Performing Assets are popularly known as NPA. Commercial Banks assets are of various types. All those assets which generate periodical income are called as **Performing Assets (PA)**. While all those assets which do not generate periodical income are called as **Non-Performing Assets (NPA)**. If the customers do not repay principal amount and interest for a certain period of time then such loans become non-performing assets (NPA). Thus non-performing assets are basically non-performing loans. In India, the time frame given for classifying the asset as NPA is 180 days as compared to 45 days to 90 days of international norms.

Definitions of Non-Performing Assets:

1. An asset, including a leased asset, becomes non performing when it ceases to generate income for the bank.
2. A non performing asset (NPA) is a loan or an advance where;
   i. interest and/ or installment of principal remain overdue for a period of more than 90 days in respect of a term loan,
   ii. The account remains out of order for more than 90 days in respect of an Overdraft/Cash Credit (OD/CC);
   iii. the bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted,
   iv. the installment of principal or interest thereon remains overdue for two crop seasons for short duration crops,
   v. the installment of principal or interest thereon remains overdue for one crop season for long duration crops,
   vi. the amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitisation transaction undertaken in terms of guidelines on securitisation dated February 1, 2006.
   vii. in respect of derivative transactions, the overdue receivables representing positive mark-to-market value of a derivative contract, if these remain unpaid for a period of 90 days from the specified due date for payment.
3. In case of interest payments, banks should, classify an account as NPA only if the interest due and charged during any quarter is not serviced fully within 90 days from the end of the quarter.

Types of NPAs:

The NPAs can broadly be classified into (i) Gross NPAs, (ii) Net NPAs.

- **Gross NPAs** are the sum total of all loan assets that are classified as NPAs as per RBI guidelines as on balance sheet date. It reflects the quality of loans made by banks. (Gross NPAs Ratio = Gross NPAs/Gross Advances).
- **Net NPAs** are those type of NPAs in which the banks deduct the provisions regarding NPAs. It shows the actual burden of banks (Net NPAs = Gross NPAs-Provision/Gross Advances-Provisions).

Asset Classification:

NPA have been divided or classified into following four types:-

1. **Standard Assets**: A standard asset is a performing asset. Standard assets generate continuous income and repayments as and when they fall due. Such assets carry a normal risk and are not NPA in the real sense. So, no special provisions are required for Standard Assets.
2. **Sub-Standard Assets**: All those assets (loans and advances) which are considered as non-performing less than or equal to 12 months are called as Sub-Standard assets.
3. **Doubtful Assets** : All those assets which are considered as non-performing for period of more than 12 months are called as Doubtful Assets.
4. **Loss Assets**: All those assets which cannot be recovered are called as Loss Assets.

Asset Classification	Period for which asset remains a bad loan	Provisioning Requirements
1. Standard Assets	None as the borrower pays his dues regularly and on time	• 0.40% of the loan amount normally (some exceptions are there)
2. Sub-Standard Asset	An asset which has remained NPA for a period less than or equal to 12 months	• Secured: 15% on outstanding amount • Unsecured: 25% on outstanding amount. In some cases it is 20%.
Doubtful Asset	An asset world is classified as doubtful if it has remained in the sub-standard category for a period of 12 months.	
3a. Up to 1 year		• Secured: 25% on outstanding amount • Unsecured: 100% on outstanding amount.
3b. 1 to 3 years		• Secured: 40% on outstanding amount • Unsecured: 100% on outstanding amount.
3c. More than 3 years		• Secured: 100% on outstanding amount • Unsecured: 100% on outstanding amount.
Loss Asset	A loss asset is one where loss has been identified by the bank or internal / external auditors or RBI inspection, but the amount has not been written off, wholly or in part. Considered uncollectible and ideally such loan should be written off.	• 100% on outstanding amount.

Factors responsible for NPAs:

The following factors confronting the borrowers are responsible for incidence of NPAs in the banks:-

(i) Diversion of funds for expansion/modernization/setting up new projects/helping promoting sister concerns.

(ii) Time/cost overrun while implementing projects.

(iii) External factors like raw-material shortage, raw-material/Input price escalation, power shortage, industrial recession, excess capacity, natural calamities like floods, accident etc.

(iv) Business failure like product failing to capture market, inefficient management, strike/strained labour relations, wrong technology, technical problem, product obsolescence, etc.

(v) Failure, non-payment/over dues in other countries, recession in other countries, externalization problems, adverse exchange rate, etc.

(vi) Government policies like excise, import duty changes, deregulation, and pollution control orders, etc.

(vii) Willful default, siphoning of funds, fraud, misappropriation, and promoters/management disputes etc.

Besides above, factors such as deficiencies on the part of the banks viz. deficiencies in credit appraisal, monitoring and follow-up; delay in release of limits; delay in settlement of payments/subsidies by Government bodies, etc. are also attributed for the incidence of NPAs.

Nationalised Banks in India:

The banking system in India consists of Commercial Banks and Cooperatives Banks of which the Commercial Banks account for more than **90 percent** of the banking system's assets. Based on the ownership pattern, the Commercial Banks can be grouped into three type i.e. (i) State owned or Public Sector Banks (PSBs) - that is the State Bank of India and its subsidiaries and the nationalized banks (there are 27 PSBs functioning in the country as on 31.3.2014), (ii) Private Banks under Indian ownership, and (iii) Foreign Banks operating in India.

Nationalised banks in India are the major players in Indian banking system dominating the industry. Not only that, the nationalised banks in India also play pivotal role in the economic development of the country at the same time.

The history of nationalization of Indian banks dates back to the year 1955 when the Imperial Bank of India was nationalized and re-christened as State Bank of India (under the SBI Act, 1955). Later on July 19, 1960, the 7 subsidiaries of SBI viz. State Bank of Hyderabad (SBH), State Bank of Indore, State Bank of Saurashtra (SBS), State Bank of Mysore (SBM), State Bank of Bikaner and Jaipur (SBBJ), State Bank of Patiala (SBP), and State Bank of Travancore (SBT) were also nationalized with deposits more than 200 crores

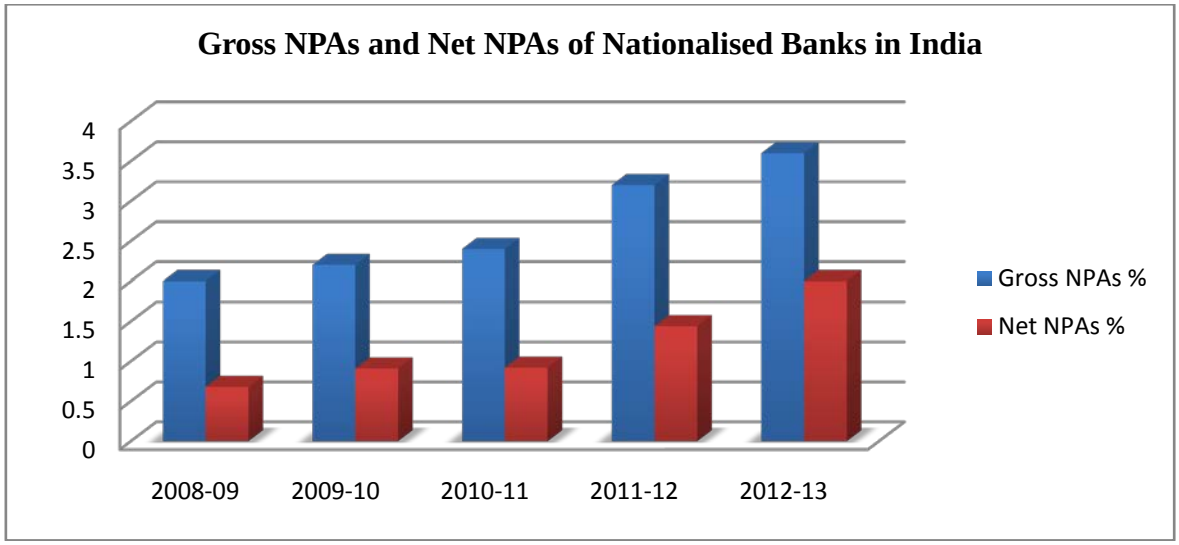
The banking industry in India became a major tool for the development of country's economy by the 1960. The industry also became a large employer creating a number of opportunities for the job-seekers. In order to spread banking infrastructure in rural areas, the then Prime Minister, Indira Gandhi took the initiative to nationalize some commercial banks. She submitted a paper "Stray thoughts on Bank Nationalisation' in the All India Congress Meeting, which got positive feedback. On July 19, 1969, 14 commercial banks were nationalized, which got presidential approval on August 9, 1969.

In 1980, in order to provide government more power and command over credit delivery, six more commercial banks in India were nationalized. In 1993, New Bank of India merged with Punjab National Bank (PNB), which brought the number of nationalized banks in India to 19. It's also the only merger between two Indian nationalized banks. In the following years, the nationalized banks in India saw a growth rate of around 4%, which was close to average growth rate of country's economy.

Trends of NPAs in Nationalized Banks:

Source: RBI data (www.rbi.org.in)

Gross and Net NPAs of Nationalised Banks from 2008-09 to 2012-13 (Amount in Rs. Million)						
	Advances		**Non-Performing Assets**			
	Gross	**Net**	**Gross**		**Net**	
Year (End-March)			**Amount**	**As % of Gross Advances**	**Amount**	**As % of Net Advances**
2012-13	31412861	30935500	1016834	3.24	619362	2.00
2011-12	25033741	27253162	667951	2.67	391546	1.44
2010-11	21769667	23102793	429074	1.97	212640	0.92
2009-10	17464003	18430819	354703	2.03	161831	0.91
2008-09	15356019	15197619	268038	1.75	102863	0.68



The above Table and Graphs depicts the trends of gross and net NPAs of Nationalised Banks in India from 2008-09 to 2012-13. The amount of Gross advances of the same has increased from Rs. 15356019 million to Rs. 31412861 million (i. e. 104.56%) from 2008-09 to 2012-13. Further, the amount of Gross NPA has also increased from Rs. 268038 million to Rs. 1016834 million (i. e. 279.36%) during the period (2008-09 to 2012-13). Similarly, GNPA percentage is also showing the increasing trend from 1.75 to 3.24 in same period. A similar trend is observed in the case of Net NPA (NNPA) to net advances which increase from 0.68 percent in 2008-09 to 2 percent in 2012-13.

Share of Gross NPA of Nationalized Banks in Public Sector Bank

Year (End-March)	Gross NPA		Share of Gross NPA of Nationalized Banks in Public Sector Bank (%)
	Public Sector Banks	Nationalized Banks	
	As % of Net Advances	As % of Net Advances	
2012-13	3.61	3.24	89.75
2011-12	3.17	2.67	84.23
2010-11	2.31	1.97	85.28
2009-10	2.27	2.03	89.43
2008-09	2	1.75	87.50

Source: Computed using RBI data (www.rbi.org.in)

Share of Gross NPA of Nationalized Banks in Public Sector Banks could be said to be stable without major fluctuations.

Reasons for growing NPAs in the current perspective:

The rising NPAs in recent period can attributed to the affects of the global recession coupled with internal factors like the slowdown in the domestic economy which had adversely affected the performance of corporate as well as small and medium enterprises leading to a negative impact on credit quality. The asset quality of nationalized banks aggravated in comparison to private sector banks as big ticket corporate loans form a larger share of the credit portfolio for nationalized banks.

Another reason for sudden rise in gross NPAs of nationalized banks was reported to be on account of a shift to system based recognition of NPAs from a manual one. Prior to this the computation for most banks was worked out manually at branch level and was therefore subject to discretion of managers. The RBI in its Financial Stability Report, December 2013 has indentified five sectors - Infrastructure, Iron and Steel, Textiles, Aviation, and Mining as the stressed sectors. Nationalized banks have high exposures to the industry sector in general and to such stressed sectors in particular. Increase in NPAs of banks is mainly accounted for by switchover to system-based identification of NPAs by nationalized banks, slowdown of economic growth, and aggressive lending by banks in the past, especially during good times. As nationalized banks dominate the Indian Banking Sector and increase in the NPAs of nationalized banks is matter of concerns, steps are being taken to improve the situation.

Initiatives taken by the government:

Some recent initiatives taken by the government to address the rising NPAs include:-

- Appointment of nodal officers in banks for recovery at their head offices/zonal offices/for each Debts Recovery Tribunal (DRT).
- Thrust on recovery of loss assets by banks and designating asset reconstruction companies (ARC) resolution agents of banks.
- Directing the state-level bankers' committees to be proactive in resolving issues with the state governments.
- Sanction of fresh loans on the basis of information sharing amongst banks. Conducting sector / activity-wise analysis of NPAs.
- Close watch on NPAs by picking up early warning signals and ensuring timely corrective steps by banks including early detection of sign of distress, amendments in recovery laws, and strengthening of credit appraisal and post credit monitoring.

Conclusion:

The NPAs have always been a big worry for the banks in India. It is just not a problem for the banks; they are bad for the economy too. The money locked up in NPAs is not available for productive use and adverse effect on banks' profitability is there. The extent of NPAs is comparatively higher in Nationalised banks. A reason for NPAs increasing is the guided lending for banks. To meet the national goals at times, quality of appraisal is relaxed which later creates problems. There are many other causes which are also responsible for accumulation of NPAs, some of them are faulty credit management, lack of professionalism in the work force, unscientific repayment schedule, mis-utilization of loans by user, lack of timely legal solution to cases filed in different courts, political interference at local levels and waiver of loans by government have also been contributing to mounting NPAs in India

Nationalised Banks are facing more problems than the private sector banks. Nationalised Banks should take care to ensure that they give loans to creditworthy customers as prevention is always better than cure.

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Macroeconomic and Demographic Determinants of Demand of Life Insurance: A case of Kenya, Nigeria, and South Africa

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ABSTRACT

Life insurance as part of the insurance business plays an important role in human's life and the economy of a country. This is because it provides financial security to families, long term savings, and contributes to the economic growth of the country. However, there is no conclusive proof of what really determines its consumption. This study aims to explore the macroeconomic and demographic determinants of life insurance demand in South Africa, Nigeria and Kenya. We employ ordinary least squares (OLS) regression analysis of time series data covering the period between 1981 and 2013 in the case of Kenya, and 1981-2012 in the case of Nigeria and South Africa. The findings clearly show that both macro-economic as well as demographic factors influence the demand of life insurance for the three countries under investigation. However, some indicators, such as, GDP per capita, level of education and life expectancy reveal unexpected signs that suggest further research. Moreover, due to variations observed, we cannot draw a unique conclusion on factors influencing the demand of life insurance among the three countries under investigation.

Keywords: life insurance, life insurance demand, ordinary least square regression analysis

1. Introduction

The business of life insurance has been receiving attention in recent years as a critical driving force of economic growth in both developed and developing countries (Soon, 1996; Ward and Zurbruegg, 2000; Webb, 2000; Marco, 2006; Mahdavi and Majed, 2011). This is because, life insurance as part of insurance business plays a crucial role in human's life and the economy of a country by providing financial security to beneficiaries/bequest upon occurrence of unforeseen events such as death, disability and accidents. Also, life insurance items enhance long-term savings and the re-investment in private and public sector projects, life insurance reduces anxieties within the society and creates employment opportunities to the members of the society (Arena, 2008; Marco, 2006; Sumninder and Samiya, 2013 ; Razak at el., 2014).

However, despite the importance of life insurance business, less has been pronounced in developing countries as compared to developed world and other emerging economies (Beck and Webb, 2000). Furthermore, there are very few life insurance companies in developing countries, and researches in this strand are scant most specifically in countries of Sub-Saharan Africa. Even if there is a surge increase in life insurance consumption in developed economies, there has been debate on what real determine their demand (Truett and Truett, 1990; Ward and Zurbruegg, 2002, Li et al., 2007; Sen and Madheswaran, 2007; Hwang and Gao, 2003; Kjosevski, 2012). Few studies have focused in developing countries and very limited in Sub Saharan Africa(See, e.g., Outreville, 1990, Ibiwoye et al., 2010). Further, it is also noticeable that few studies conducted in Africa focused on specific country rather than across countries.

With extensive knowledge gap on this issue, this study aims to explore the macroeconomic and demographic determinants of life insurance demand in South Africa, Nigeria and Kenya. Based on the researchers' knowledge no particular paper has been published on determinants of life insurance

demand in the selected countries. Generally, insurance industry in South Africa is far ahead when compared to other African countries. Life insurance in particular, is well developed in South Africa accounting for 76% of total insurance premiums written in Africa in 2012. Furthermore, the life insurance penetration ratio, which shows how deep the local insurance market was estimated to be 11.38% (GDP) of total insurance premiums (14.13% of GDP) in South Africa. This indicates that life insurance in South Africa is largely dominated by the life insurance industry (KPMG, 2013, Swiss Re, 2013). Generally, like many countries in Africa, insurance market in Nigeria is under-developed and largely dominated by non-life insurance sector with extremely low penetration ratio when compared with Kenya and South Africa. Life insurance penetration is about 0.15% of GDP accounting for 25% of total Premiums (KPMG, 2013). **A**ccording to KPMG (2013), Nigeria comprises 59 licensed insurance industries, of which 16 (about 27%) are life insurance sectors. Kenya's Insurance market is much developed when compared with many other African countries and is largely dominated by non-life insurance segment. According to the IRA (2012), there are 49 licensed insurance companies in Kenya. Insurance penetration ratio is slightly above regional benchmark with total premium of about 3.2 % of GDP of which 1% comprises life insurance segment in 2012.

The rest of this paper is organized as follows: Section 2 highlights the theories and empirical findings related to life insurance demand, section 3 describes the methodology and data analysis, section 4 presents the empirical findings and discussion and section 5 reports the conclusion and suggestions for further studies.

2. Literature Review

This section reviews the theoretical, conceptual and empirical literature on factors influencing life insurance demand in the insurance industry.

2.1. A theoretical review

There have been numerous views with regard to the determinants of life insurance demand in the extant literature. Yaari (1965) and Hakansson (1969) as pioneers of theories of life insurance demand have established theoretical framework of the life cycle model that explains the impact of uncertain lifetime on life insurance consumption. Using the continuous time model, Yaari postulates that individual's maximization of expected lifetime utility is based upon purchasing optimal life insurance and life annuity. Furthermore, the demand for life insurance is attributed to wealth, expected income over the lifetime of an individual concerned, interest rate, and the cost of insurance. Hakansson employs discrete time model, and postulates that individuals' bequest motives and uncertainty surroundings are significant determinants of life insurance consumption.

Lewis (1989) extended Yaari's life insurance framework model by incorporating the number of dependants (beneficiaries - spouse and children) as a new variable. The results suggest that the number of dependants is strongly correlated with life insurance consumption. Further, contended that life insurance is purchased for the purpose of maximizing beneficiaries' expected lifetime utility. His views somehow contradict Yaari's findings. According to Lewis, the total life insurance demand is specified as indicated in Equation 1:

$$(1-l_p)F = \max\left\{\left[\frac{1-l_p}{l(1-p}\right]^{1/\delta} TC - W, 0\right\} \qquad (1)$$

Where l is policy loading factor given by the ratio of cost of insurance to its actuarial value, p is the probability of death of the primary wage earner, F stands for the face value of all life insurance written on the life of primary wage earner, δ is the measure of beneficiaries' relative risk aversion, TC stands for the present value of consumption of each children until he/she leaves the household and of the spouse over his/her predicted remaining life span and W is the net wealth of the household. The model explicates that, life insurance demand increases with the probability of the primary wage earner's death, the present value of the beneficiaries' consumption and the degree of risk aversion. It also indicates that life insurance demand decreases with the loading factor and the household's wealth. But the life insurance consumption is driven by both demand-side and supply-side indicators

and these include among others; economic indicators (e.g. income, interest rate, the level of financial development, inflation), demographic indicators (e.g. dependency ratios, life expectancy, crude birth rate, crude death rate, fertility rate), socio-demographic indicators (e.g., level of education), and institutional indicators (e.g., rule of law, protection of property rights). There is a vast amount of researches that have investigated empirically the determinants of life insurance by employing different data sets and econometric methodologies. The next section gives a short review of these empirical studies.

2.2. Empirical review

This section reviews some of previous empirical studies on the determinants of life insurance demand. The results are, however inconclusive, since no unanimous conclusions have been reached so far with regard to the robust determinants of life insurance demand. However, differences in the methodologies employed, the length of the data used, and the samples employed have been pointed out to be one of the causes of such diverse results. Fortune (1973) using multiple regression analysis posits that discount rate, nonhuman wealth and wages (income and salary) are significant predictors of life insurance consumption. Wealth found to be negatively correlated with life insurance consumption as expected from the theory while the rate of discount and wages have a positive relationship with life insurance consumption. Additionally, the study confirmed that consumer confidence is a robust predictor of the optimal quantity of net life insurance.

Truett and Truett (1990) examined the life insurance demand in Mexico and United States as a comparative study over the period between 1964 and 1984. Their results showed that income per capita has a robust link with life insurance consumption. Their results are consistent with that of Browne and Kim (1993), Hawariyuni et al. (2006), Li et al. (2007), Redzuan (2009), and Kjosevski (2012). Furthermore, they contended that education and age are robust determinants of life insurance consumption in countries under investigation. The study conducted by Browne and Kim (1993), established that income per capita, dependency ratio, and social security are positive and statistically significant predictors of life insurance demand. As expected theoretically, they found that inflation and insurance price have an inverse relationship with life insurance demand. Interestingly, their findings did not indicate any significant association with education. Lim and Haberman (2001) using OLS, examined both macroeconomic and demographic variables in Malaysia and found that saving deposit rate are directly influencing the life insurance demand while price variation inversely relate to life insurance demand. Their findings are in line with some of previous studies. However, the results did not reveal any strong relationship between financial development, the price of insurance, stock market, crude birth rates, crude death rates, fertility rate and life expectancy at birth with life insurance demand.

Beck and Web (2003) found no correlation between life expectancy, education, urbanization, dependency ratio and social security with life insurance consumption. Further, they reported that banking development sector and inflation are strongly correlated with life insurance consumption while income was observed to be a weak life insurance consumption predictor. Ward and Zurbruegg (2002) examined panel data from the OECD and Asia region for the period between 1987 and 1998 using OLS regression analysis. They contended that the most developed economies experience higher levels of life insurance consumption because they possess a high level of income and low level of inflation rate. Other factors such as financial development, political stability, rule of law and improved civil rights were found to be significant predictors of life insurance demand both in the Asia region and OECD countries. Hwang and Gao (2003) investigated the key determinants of life insurance demand in China after economic reform in 1978. They concluded that successful economic reform contributed a lot in promoting life insurance in China. This is because the reform influenced many people into buying life insurance products. Furthermore, education was found to be a significant factor that determines life insurance consumption. However, the study did not reveal any inverse relationship between inflation and life insurance demand, even though at the mid of 1990s' China experienced high levels of inflation.

Hwang and Greenford (2005) analyzed major determinants of life insurance consumption in mainland China, Hong Kong, and Taiwan. Interestingly, results obtained found no correlation between price of insurance and life insurance consumption. These findings contradict the results from previous studies (see. e.g., Mantis and Farmer, 1968; Outreville, 1996; Brown and Kim, 1993; Lim and Hebarman, 2001; Ward and Zurbruegg, 2002). Income and education were found to have significant influence on life insurance demand, while social security was found to have no correlation with life insurance demand. Furthermore, their findings revealed a positive correlation between level of economy and life insurance demand, even though different results reported in mainland China. Based on cross-sectional analysis, Li et al. (2007) examined 30 OECD countries using OLS and GMM methods for a period during 1993 till 2000 and found that income, dependency ratio and education are directly related with life insurance demand while social security, life expectancy, inflation and real interest rate have inverse association with life insurance demand.

Nesterova (2008) investigated the variation in life insurance demand for 14 countries of the former Soviet Union and Central and Eastern European over the period 1996-2006 by employing the OLS method. The results contended that countries with higher levels of education, income, life expectancy at birth and old dependency ratio have robust relationships with life insurance consumption, whereas variables like financial development, inflation and real interest rate showed a negative relationship. On the other hand young dependency ratio, urbanization level and institutional indicators did not appear to have a significant relationship with life insurance demand. Redzuan et al. (2009) examined the demand of family Takaful in Malaysia using time series data over the period between 1985 and 2007. The results indicated that there is a direct link between income per capita and demand for family Takaful in the long-run. However, in the short-run the relationship between the two variables was not that much more profound. Additionally, education, life expectancy, employees' provident fund and price of insurance were found to be significant predictors of both life insurance demand and family Takaful in Malaysia. On the other hand, they did not reveal any significant relationship between Family Takaful and inflation and savings rates. Ibiwoye et al. (2010) using co-integration and error correction techniques, examined the determinants of life insurance consumption in Nigeria during the period 1970-2005. They found that real gross domestic product (RGDP) and Structural Adjustment Programs (SAP) positively and significantly influence life insurance consumption (LIC) whereas indigenization policy and domestic interest rate (RD) are statistically significantly but inversely related to life insurance consumption (LIC). On the other hand, they revealed an insignificant relationship between life insurance consumption and return on investment (RW), inflation rate (INFL), the openness of the economy (OPEN) and political instability. Additionally, they found a well-defined error correction term which is significant at 1 percent with a feedback effect of about 58 percent. The Durbin Watson statistics of 1.89 indicates the presence of very little form of auto-correlation.

Nonetheless, Kjosevski (2012) found a significant relationship between inflation and life insurance consumption. Furthermore, the findings revealed that GDP per capita, health expenditure, level of education and rule of law are robust predictors of use of life insurance. On the other hand the results did not indicate any significant association between the use of life insurance and Real interest rates, ratio of quasi-money, young dependency ratio, old dependency ratio control of corruption and government effectiveness. Munir et al. (2013) using time series data from 1973 to 2010 in Pakistan, investigated both macroeconomic and demographic factors, and revealed that gross savings, income level and financial development are positively correlated with life insurance demand while price is negatively correlated with life insurance demand. This is inconsistence with the findings of Lim and Heberman (2001) who found positive correlations between demographic variables such as dependency ratio, crude birth rate, crude death rate, urbanization with life insurance demand.

Nevertheless, empirical evidence indicates that several studies on factors influencing demand for life insurance have been extensively focused on developed countries and emerging countries. Very few studies focus on developing countries, and studies in the case of Sub-Saharan Africa (SSA) in particular are scant (see. e.g., Mantis and Farmer, 1968; Truett and Truett, 1990; Lim and Haberman, 2001; Zietz, 2003; Hwang and Gao, 2003; Hawariyuni,2006; Li et al., 2007; Nestersova, 2008;

Redzuan et al., 2009; Ibiwoye et al., 2010; Kjosevski, 2012). This indicates that, there is inadequate information regarding the factors influencing the demand of life insurance in developing world, SSA in particular. Thus, more investigation is of more important, which is the intention of this paper. Additionally, on modeling the determinants of life insurance, some of the studies focused on cross country panel data (see. e.g., Beenstock, 1986; Truett and Truett, 1990; Browne and Kim, 1993; Li et al.,2007; Beck and Webb, 2002) while others focused on specific countries (Chen et al., 2001; Ibiwoye et al., 2010; Lim and Haberman, 2001; Redzuan et al., 2009)

3. Data and Econometric methodology

3.1. Data

The data employed in this study are the time series data covering the period between 1981 and 2013 in the case of Kenya, and 1981-2012 in the case of Nigeria and South Africa. The sample used is dictated by the availability of the data within the specified period. In order to capture the demand for life insurance we use two proxies: life insurance density and life insurance penetration. A similar approach has been employed in the extant literature (see, e.g., Beck and Webb, 2003; Kjosevski 2012. Both indicators are obtained from Swiss Re (2013) and are used as dependent variable in two distinct models. The explanatory variables used in this study can be grouped into two categories; economic indicators and demographic indicators. The economic indicators employed are; GDP per capita, inflation and interest rate, whereby the crude birth rate, crude death rate, the level of education, fertility rate, life expectancy, urbanization, old dependency ratio and young dependency ratio fall within demographic variables. These indicators are obtained from the World Bank development indicator database (Word Bank, 2014). Table 1 shows the descriptive statistics of the data used.

Table 1: Descriptive statistics (before data transformation)

Country	Variable	Mean	Standard Error	Standard Deviation	Minimum	Maximum	Count
KENYA	GDP per capita	529.389	4.758	26.914	495.569	594.828	32
	Crude birth rate	40.787	0.715	4.045	35.505	49.024	32
	Crude dirth rate	10.647	0.181	1.023	8.464	12.284	32
	Education	6.000	0.000	0.000	6.000	6.000	32
	Fertility	5.577	0.160	0.907	4.459	7.366	32
	Inflation	12.966	1.607	9.088	1.554	45.979	32
	Interest rate	8.156	1.123	6.352	-5.777	21.096	32
	Life expectancy	57.057	0.463	2.621	52.777	61.083	32
	Old DR	0.054	0.001	0.005	0.048	0.064	32
	Young DR	0.907	0.020	0.115	0.770	1.064	32
	Urbanization	19.156	0.493	2.786	15.681	24.370	32
NIGERIA	GDP per capita	670.716	29.590	167.385	494.239	1030.168	32
	Crude birth rate	43.561	0.250	1.415	41.532	46.593	32
	Crude dirth rate	17.211	0.293	1.656	13.479	18.956	32
	Education	6.000	0.000	0.000	6.000	6.000	32
	Fertility	6.297	0.050	0.280	6.002	6.779	32
	Inflation	20.764	3.257	18.427	5.382	72.836	32
	Interest rate	-1.406	3,030	17.139	-43.573	25.282	32
	Life expectancy	47.435	0.343	1.941	45.852	52.109	32
	OLD DR	0.053	0.000	0.002	0.051	0.055	32
	YOUNG DR	0.833	0.004	0.020	0.808	0.865	32
	Urbanization	33.457	1.151	6.512	22.671	45.234	32

SOUTH AFRICA	GDP per capita	5027.613	76.500	432.747	4472.486	5885.218	32
	Crude birth rate	26.567	0.766	4.332	21.090	34.533	32
	Crude dirth rate	10.902	0.459	2.597	7.842	14.796	32
	Education	7.000	0.000	0.000	7.000	7.000	32
	Fertility	3.272	0.127	0.719	2.412	4.695	32
	Inflation	9.607	0.804	4.548	1.385	18.655	32
	Interest rate	4.833	0.624	3.532	-2.331	13.073	32
	Life expectancy	57.554	0.670	3.792	51.557	62.325	32
	Old DR	0.061	0.002	0.010	0.053	0.084	32
	Young DR	0.583	0.019	0.105	0.454	0.745	32
	Urbanization	55.339	0.820	4.637	48.591	63.272	32

3.2. Model

The model employed in this study is as specified in Equation 2 and 3:

$$LID_t = \alpha_0 + \alpha_1 GDPPC_t + \alpha_2 BIRTH_t + \alpha_3 DEATH_t + \alpha_4 EDU_t + \alpha_5 FERT_t + \alpha_6 INF_t + \alpha_7 INT_t + \alpha_8 LIFE_t + \alpha_9 OLD_t + \alpha_{10} YOUNG_t + \alpha_{11} URBAN + \varepsilon_t \quad (2)$$

$$LIP_t = \beta_0 + \beta_1 GDPPC_t + \beta_2 BIRTH_t + \beta_3 DEATH_t + \beta_4 EDU_t + \beta_5 FERT_t + \beta_6 INF_t + \beta_7 INT_t + \beta_8 LIFE_t + \beta_9 OLD_t + \beta_{10} YOUNG_t + \beta_{11} URBAN + \varepsilon_t \quad (3)$$

Where by LID stands for life insurance density and LIP stands for life insurance penetration, $GDPPC$ stands for growth rate of GDP per capita, $BIRTH$ is the crude birth rate, $DEATH$ stands for the crude death rate. EDU stands for level of education attained, $FERT$ is the fertility rate and INF stands for the measure of inflation. INT stands for interest rate, $LIFE$ stands for life expectancy, OLD stands for the old dependency ratio, $YOUNG$ stand for the young dependency ratio, and $URBAN$ stand for urbanization. ε is the error term assumed to be independent and identically distributed and t stands for time. The parameters α_1 and β_1 are expected to be positive because the level of economic growth is expected to have a significant positive influence of demand of life insurance. The level of education has also been pointed out in the extant literature to have a positive influence on the demand of life insurance, hence we expect the parameters α_4 and β_4 to be positive. The interest rate is claimed to have a negative influence on demand of life insurance, hence the corresponding parameters are expected to be negative. The real interest rate is hypothesized to have a negative influence on the demand for life insurance and therefore we expect α_7 and β_7 to be negative. Life expectancy has also been claimed to have a positive influence. Urbanization is also expected to have a positive influence while no unanimous conclusion has been reached so far with respect to the sign of the remaining variables used in this study.

3.3. Unit root test

Using time-series data in an econometric analysis generally requires the series of interest to be stationary. This is because, if the series are non-stationary, the corresponding results in some of the analysis may be spurious, or misleading. However, numerous macroeconomic series are far from stationary, and hence need to be transformed into other forms, in order to induce stationarity before further analysis can take place. Hence, the first step in using time-series data is to test whether the series under consideration are stationary or not (i.e. using a unit root test). This will enable the researcher to define the order of integration of the series in the analysis (i.e. to find how many times the series need to be differenced in order to make them stationary). Furthermore, identification of the order of integration will enable the researcher to choose the appropriate models for further analysis.

There are numerous techniques available to test for the presence of a unit root in time-series variables. The most commonly employed techniques are the Dickey-Fuller (DF), Augmented Dickey-Fuller (ADF), and Phillips-Perron (PP) tests (see Dickey and Fuller, 1979, 1981; Said and Dickey, 1984; Phillips and Perron, 1988). However, in this study, we employed the ADF unit root test.

4. Empirical analysis and Results

4.1. Results for unit root test

Table 2 denotes the results of the unit root test of all the series used in this study. We used the Augmented Dickey-Fuller Test-statistics. The results show that, six indicators out of twelve are stationary at their level form in the case of Kenya. The rest of the indicators are stationary after being differenced once, and hence they are integrated of order one, i.e., I(1). The series whose stationarity are induced after being differenced once are; life insurance density, crude death rate, level of education, fertility, life expectancy and the old dependency ratio. Therefore, for these particular indicators, we employed their first difference series in the regression model in order to avoid any spurious results. In the case of Nigeria, eight series are found to be stationary. However, life insurance density, fertility, life expectancy, and urbanization are stationary after being differenced once, hence they are integrated of order one. Therefore, we used their differenced series in the regression model. In the case of South Africa, the growth rate of GDP per capita, crude birth rate, level of education, life expectancy and urbanization are found to be stationary at their level form. The rest of the indicators are stationary after being differenced one. Hence the same approach as stated earlier was used.

Table 2: Results of the unit root test

Country	Indicator	Augmented Dickey-Fuller Test-Statistics	Order of Integration
KENYA	GDP per capita growth	0.424	I(1)
	Crude birth rate	-6.922***	I(0)
	Crude death rate	-2.828	I(1)
	Level of education	-2.055	I(1)
	Fertility	-2.090	I(1)
	Inflation	-3.320*	I(0)
	Interest rate	-4.027***	I(0)
	Life Expectancy	-2.576	I(1)
	Old dependency ratio	1.437	I(1)
	Young dependency ratio	-5.466***	I(0)
	Urbanization	-3.351**	I(0)
NIGERIA	GDP per capita	-1.697***	I(1)
	Crude birth rate	-3.733**	I(0)
	Crude death rate	-3.459*	I(0)
	Level of education	-6.600***	I(0)
	Fertility	-0.560	I(1)
	Inflation	-3.571**	I(0)
	Interest rate	-5.953***	I(0)
	Life Expectancy	0.591	I(1)
	Old dependency ratio	-6.874***	I(0)
	Young dependency ratio	-7.591***	I(0)
	Urbanization	2.218	I(1)
	GDP per capita	0.583	I(1)
	Crude birth rate	-4.043**	I(0)

Country	Indicator	Augmented Dickey-Fuller Test-Statistics	Order of Integration
SOUTH AFRICA	Crude death rate	-3.221	I(1)
	Level of education	-6.409***	I(0)
	Fertility	-1.113	I(1)
	Inflation	-2.688	I(1)
	Interest rate	-2.769	I(1)
	Life Expectancy	-3.323*	I(0)
	Old dependency ratio	2.950	I(1)
	Young dependency ratio	-1.586	I(1)
	Urbanization	-3.536***	I(0)

Note: 1) ***, **, * Denote significance at 1%, 5%, and 10% level respectively

4.2. Estimation results

Table 3 indicates the estimation results from the regression analysis. In order to avoid some spurious regression results, we started by testing some of the assumptions of the classical linear regression model (CLRM). According to CLRM, no exact linear relationship between any pair of explanatory variables should prevail, i.e. no **multicollinearity**. However, the test results denoted the presence of multicolliearity among the variables used. Hence we dealt with this issue by some of the techniques suggested in the literature (see., Gujarati, 2006). We computed the means of each variable and took the deviations from the mean of each variable to be used in the regression analysis instead of the actual observations. Autocorrelation in the residuals was also pervasive in our analysis. However, in the cases of Kenya and Nigeria the null hypothesis of no autocorrelation was not rejected. Hence the autocorrelation was not a problem. But in the case of South Africa, the null hypothesis of no autocorrelation was rejected, and therefore autocorrelation was a problem. We employed Breusch-Godfrey Serial Correlation Lagrange Multiplier Test and the results are reported in Appendix A. In the other two countries, the results are present upon request. To get rid of this problem we used the Cochrane-Orcutt procedure (see., Brooks, 2008, page 151).

4.2.1. Life insurance density

Table 3 column three denotes the estimation results when life insurance density was used as the dependent variable. In the case of Kenya, the results signify that crude birth rate, level of education, fertility rate, interest rate, old dependency ratio, young dependency ratio and urbanization are significant at different levels of significance, i.e. 1%, 5% and 10%. However, some of the indicators have unexpected signs, and these are; crude birth rate and old dependency ratio. The sign of real interest rate has been inconclusive in the extant literature. The remaining significant variables have the expected sign. Therefore, we observe that the variation of life insurance density in the case of Kenya positively and significantly depends on the level of education, fertility rate, interest rate young dependency ratio and urbanization. The results vindicate that as the level of education increases by 1 unit, life insurance density increases by 4.95 units. A one unit increase in fertility rate, increases life insurance density by 47.493 units. Furthermore, a one unit increase in interest rate, increases life insurance density by 0.02 units. Also, a unit increase in the young depency ratio increases demand for life insurance by 102.057 units. But also, as urbanization increases by 1 unit, life insurance density increases by 2.653. Similar results have been found in the extant literature with respect to the direct link of dependency ratio, level of education and urbanization to life insurance demand (see. e.g., Brown and Kim, 1993; Chui and Kwok, 2008; Curak and Gaspic, 2011; Sen and Madheswaran, 2007; Sen, 2008, Ye et al., 2009).

In the case of Nigeria, the results explicate that, variations in the life insurance density are mainly attributed to changes in income, crude death rate, level of education, fertility rate, life expectancy, old dependency ratio, and young dependency ratio. All these indicators are found to be significant at different levels of significance. However, some of the indicators have unexpected signs (e.g., GDP per capita, level of education, life expectancy). Fertility rate is the only variable which has the expected sign, and the results indicate that as fertility rate incrases by 1 unit, life insurance density inceases by 107.606 units.

In the case of South Africa the results posit that, variations in life insurance density are mainly due to changes in GDP per capita, crude birth rate, crude death rate, level of education, inflation, life expectancy, old dependency ratio, and urbanization. All these variables are found to be significant at different levels of significance. However, some of the variables have unexpected signs and these are crude birth rate, crude death rate, life expectancy and old dependency ratio. However, GDP per capita has the expected sign, and the results indicate that, as income level increases by 1% then life insurance density increases by 0.034 units. Furthermore, as interest rate increases by 1%, then life insurance density decreases by 0.015 units. Urbanization increases the life insurance density by 0.383 units, as it increases by one unit. Similar results have been reported in the extant literature (see. e.g., Babbel, 1981; Beck and Webb, 2003; Carson and Hoyt, 2010; Curak and Gaspic 2011; Hwao and Gao, 2003; Li et al., 2007; Nguyen and Wee, 2007)

4.2.2. Life insurance penetration

Table 3 column four reports the estimation results for determinants of life insurance penetration. The life insurance penetration is given by the ratio of the volume of insurance premium to GDP. In the case of Kenya, the results vindicate that, the variations in life insurance penetration are dependent on the changes in the crude birth rate, level of education, life expectancy and urbanization. But only urbanization has the expected sign, and it shows that, a unit increase in urbanization, increases the life insurance penetration by 2.55 units. Hence there is a direct link between life insurance penetration and urbanization. A similar conclusion has been derived from the extant literature (see., e.g., Kjosevski, 2012; Sen and Madheswaran, 2007; Sen, 2008).

In the case of Nigeria, the results indicate that crude birth rate, crude death rate, level of education, fertility rate, life expectancy, old dependency ratio, and young dependency ratio are

Table 3: OLS estimation results

Country	Indicator	Life insurance density	Prob.	Life insurance penetration	Prob.
KENYA	Constant	5.345***	0.0001	1.066	0.2996
	GDP per capita	-1.179	0.2410	0.998	0.3304
	Crude birth Rate	-1.355**	0.0392	1.187	0.2495
	Crude death rate	-10.929	0.4549	-2.034*	0.0561
	Level of education	4.950*	0.0604	-2.017*	0.0580
	Fertility rate	47.493***	0.0068	0.121	0.9045
	Inflation	0.000	0.9885	0.976	0.3410
	Interest rate	0.020*	0.0927	0.619	0.5429
	Life expectancy	-3.089	0.7096	-2.092*	0.0500
	Old dependency ratio	-2876.73*	0.1015	-1.156	0.2617
	Young dependency ratio	102.057***	0.0007	-0.070	0.9444
	Urbanization	2.653***	0.0040	2.550**	0.0195
	Constant	901.381*	0.0792	-148.08**	0.0123
	GDP per capita	-6.445**	0.0148	-0.429	0.1236
	Crude birth Rate	-2.574	0.1260	0.581***	0.0028
	Crude death rate	3.010*	0.1096	-0.622***	0.0054

NIGERIA	Level of education	-23301.87**	0.0116	2310.838**	0.0200
	Fertility rate	107.609*	0.1049	-19.491**	0.0148
	Inflation	-0.001	0.6702	-0.000	0.3292
	Interest rate	-0.000	0.9236	-0.000	0.6156
	Life expectancy	-11.144*	0.0533	1.340**	0.0194
	Old dependency ratio	-3349.055*	0.0562	465.953***	0.0078
	Young dependency ratio	-1817.350***	0.0089	167.933**	0.0252
	Urbanization	0.014	0.4308	-0.003	0.3524
SOUTH AFRICA	Constant	6.567***	0.0000	50.162***	0.0002
	GDP per capita	0.034***	0.0002	-16.027	0.1713
	Crude birth Rate	-0.551**	0.0344	-14.835***	0.0012
	Crude death rate	-0.756**	0.0329	-12.992**	0.0192
	Level of education	-174.44**	0.0412	-3948.30****	0.0055
	Fertility rate	6.647	0.3124	334.455***	0.0042
	Inflation	-0.015**	0.0119	0.148	0.1224
	Interest rate	-0.009	0.1456	-0.149	0.1476
	Life expectancy	-0.248***	0.0098	-3.969***	0.0090
	Old dependency ratio	-118.5***	0.0023	1088.014***	0.0646
	Young dependency ratio	18.170	0.4230	1624.326***	0.0004
	Urbanization	0.383***	0.0097	2.501	0.2715

Note: 1) ***, **, * Denote significance at 1%, 5%, and 10% level respectively.

2) Dependent variable in Model One is life insurance density while in Model Two is life insurance penetrationsignificant determinants of life insurance penetration. However, only the crude birth rate, the level of education, the life expectancy, old and young dependency ratios have the expected signs. We observe that, crude birth rate has a direct impact on life insurance penetration at1% level of significance. The level of education positively affects the life insurance penetration, and is found to be significant at 5% level. Furthermore, the results show that, life insurance penetration increases with the life expectancy, the young dependency ratio and the old dependency ratio. The variables are found to be significant at 1%, and 5% levels of significance. Similar conclusions have been vindicated in the previous researches (see., e.g., Kjosevski, 2012; Nesterova, 2008; Savvides, 2006; Sen, 2008; Ward and Zurbruegg, 2000)

In the case of South Africa, the results indicate that fertility rate, young dependency ratio and old dependency ratio have a direct positive impact on life insurance penetration. These indicators are found to be significant at 1% level of significance. The other indicators; GDP per capita, crude death rate, level of education, and life expectancy are found to be inversely related to life insurance penetration which is beyond our expectations. We observe that, as fertility rate increases by 1%, then life insurance penetration increases by 334.455. A one unit increase in the old dependency ratio, increases life insurance penetration by 1088 units, and as young dependency ratio increases by one unit, life insurance penetration increases by 1624.326 units. Similar conclusions have been derived in the extant literature (see.e.g., Chui and Kwok, 2008; Yazid et al., 2012)

5. Conclusions

The main objective of this study was to investigate empirically the determinants of life insurance demand in the case of Kenya, Nigeria, and South Africa. We used the time series data covering the period between 1981-2012, in the case of Nigeria and South Africa, while in Kenya the span of the data was between 1981 and 2013. We used two indicators for life insurance demand: life insurance density captured by the ratio of volume of insurance premium per capita, and life insurance penetration measured as a ratio of insurance premium to GDP. The sample used was dictated by the availability of the data, and for this reason, we only employed some the macroeconomic and demographic indicators; GDP per capita, crude birth rate, crude death rate, level of education, fertility

rate, inflation rate, real interest rate, life expectance, old dependency ratio, young dependency ratio, and urbanization. The OLS regression methodology was employed.

The results do not reveal any unanimous conclusions among the three countries under investigation. In the case of Kenya we found that, the level of education, fertility rate, the young dependency ratio, and urbanization are positive and significant determinants of life insurance demand. This implies that, since educated individuals are aware of the benefits associated with life insurance cover, then, as education level increases, so it does with the life insurance demand. In Nigeria, the results show that, fertility rate, crude birth rate, the level of education, the life expectancy, old and young dependency ratios are positive and significant determinants of life insurance. In the case of South Africa, the results vindicate that, income level captured by GDP per capita, urbanization, fertility rate, old and young dependency ratio is positive and significant determinants of life insurance. Hence, based on the results, each country behaves differently and therefore, no generalization can be drawn.

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"Financial Management Practices and Its Effect on Profitability: A Study On Business Enterprises In Pune City"

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ABSTRACT

This study investigated the financial management practices and its effect on profitability of business enterprises in PuneCity. Both primary and secondary data were collected from 11 business enterprises in Pune city. Analysis of the collected data provided that; profitability was significantly affected by efficiency in financial management practices such as accounting, reporting, & analysis, working capital management, fixed asset management and financial planning and order to increase profitability, the researchers recommend that business enterprises should continuously improve their financial management practices.

Keywords: Business Enterprises, Financial Management Practices, Profitability

INTRODUCTION

Financial management is one of the several functional areas of management but it is the center to the success of any business. Inefficient financial management, combined with the uncertainty of the business environment often led Business Enterprises to serious problems. Regardless of whether an owner-manager or hired-manager, if the financial decisions are wrong, profitability of the company will be adversely affected. Consequently, a business organization's profitability could be damaged because of inefficient financial management. Business Enterprises have often failed due to lack of knowledge of efficient financial management. Moreover, the uncertainty of the business environment causes Business Enterprises to rely excessively on equity and maintain high liquidity and these financial characteristics affect profitability.Since the Indian People led government introduced a series of economic reforms in 1991, the private sector in Ethiopia has rapidlygrown in terms of the number of businesses, capital and employees. The number of private businesses and limited companies had quickly risen and the majorities are micro, small and medium enterprises. These business Enterprises have contributed considerably to creating jobs for labor-age people. pune town is one of the oldest and commercial centers found in Maharashtra state. According to the census made in 2010, there are about 160 licensed business organizations in pune town. This research paper is aimed at investigating the effect of financial management practice and financial characteristics on the profitability of the business organizations.

Objective of the Study:

Most previous researchers have concentrated on examining, investigating and describing the behavior of Business Enterprises in practicing financial management. Their findings are mainly related to exploring and describing the behavior of business enterprises towards financial management practices andcharacteristics. There has been little research examining the effect of financial management practices on profitability.This lack of empirical evidence from less developed economies and the lack of examination of the effect of financial management practices and financial characteristics on profitabilityare major gaps in the knowledge of financial management. Therefore, it is difficult to convince business practitioners of the need for changes in practices until evidence of the effects of financial management practices and characteristics on profitability are provided and the relationship between the two variables is proved. Based on previous research findings and recognition of these gaps, a study of the effect of financial management on profitability is justified and the effect

of financial management practices and financial characteristics should be developed and tested by using empirical data from Pune

- Investigate the effect of Efficiency in financial management practices such as accounting, reporting, & analysis, working capital management, fixed asset management and financial planning on the profitability of firms
- Examine the effect of financial characteristics such as liquidity, leverage and asset turn over on the profitability of firms
- ***RESEARCH DESIGN AND METHODOLOGY***
- Due to limitation of time and fund, the target population in this study could not cover all
- business organizations in India. The target population for the study is therefore, business
- organizations in Pune town. According to the data obtained from Pune town trade and industry office, there are about 160 licensed business organizations of all sizes as of 2010. But all these are not taken for the study. As the study requires secondary data, only business organizations that keep books of account were selected. According to the data obtained from Pune town revenue office, of the business organizations available in the town, only 35 business organizations have been keeping accounting records till June 2010.Therefore, the target populations for the study are the whole 35 business organizations. organizations were considered for the study. But only 35 usable questionnaires were collected back, which is approximately a response rate of 21.87%. In this research, both survey and secondary data methods are used in combination. Survey is chosen as a research technique in this study because it is very useful to investigate financial management practices of many Business Enterprises. Questionnaires were designed and directly delivered to Business Enterprises to collect primary data related to their financial management practices. In developing a causal relationship and testing hypothesis of association, there are two kinds of variables involved: dependent and independent variables. The independent variable involved includes variables used to define the efficiency of financial management practices and variables used to define financial characteristics. Independent Variables Related to Financial Management Practices include efficiency in Financial Accounting, Reporting and Analysis practice, efficiency in Working capital management practice, efficiency in Fixed Asset Management practice and efficiency in Financial planning practice The efficiency of each of this financial management practices was measured by using ten items on five-point scales in which the respondents were asked to rate where the positions of their businesses are for each item described. On the scale, 1 represents extremely low efficiency, 2 represents low efficiency, 3 represents medium efficiency, 4 represents high efficiency and 5 represents extremely high efficiency. After respondents have ranked the efficiency of financial management practices for each items under each variable, the average of the ten items is computed using Excel for each respondent. The only difference is the efficiency measure for working capital management which is measured in terms of cash, receivable and inventory management practice by raising 10 items for each, which means a total of 30 items for working capital management as a whole. In addition to the above four independent variables, current ratio, debt ratio and total asset turnover ratio were used as additional independent variables. Their values were calculated from the 2010/11 annual financial statement. In this study, profitability measured by profit margin (PM) and Return on Asset (ROA) are viewed as the dependent variable. Using the variables defined above, the model of the effect of financial management practices and financial characteristics on profitability can be formulated as follows:
- PM = Profit Margin
- ROA= Return on Asset
- EARA= Efficiency of Accounting, Reporting and Analysis Practice
- EWCM= Efficiency of Working Capital Management
- EFAM = Efficiency of Fixed Asset Management

- EFP = Efficiency of Financial Planning
- CR = Current Ratio (Measure of liquidity)
- DR = Debt Ratio (Measure of Financial Leverage)
- TAT= Total Asset Turn Over (Measure of Activity)
- Where: b & b, EARA, EWCM (I= 0,1,2,3 …) are the coefficients, ε is the error variable
- EFAM & EFP are independent variables related to financial management practices and CR,
- DR and TAT are the independent variables related to financial characteristics.

Effect of Efficiency in Accounting, Reporting and Analysis Practice

The study found out that, the use of accounting information system helped owners or managers to design and implement a strategic plan that will enable their business profitable in the long run. also found out that efficiency in accounting information system and financial reporting and analysis enhancedprofitability. The efficiency of business organizations in this case was approximated by the on time and accurate recording and summarizing of business transactions, the frequency of preparing financial report and financial analysis, the degree of computerization of the accounting information system. In addition, different accounting and financial management books also confirm that good accounting, reporting and financial analysis practice enhance performance by helping decision makers design and implement wise and strategic decisions.

Effect of Working Capital Management on Profitability

In the study conducted infound out that the way working capital ismanaged will have a significant impact on the profitability of a firm. investigated the relationship between profitability measured by return on assets and working capital management by taking 58 firms in Mauritius using panel data analysis for the period 1998 -2003. The regression result showed that high investment in inventories and receivables is associated with low profitability.

Effect of Capital Budgeting (Fixed Asset management) on Profitability

Capital budgeting decisions are critical to the success of any firm. argued that capital budgeting decision is vital to a firm's financialamong the most important decisions that owners or managers of a firm must make. Their rationale for that belief is that capital budgeting decision often involves significant capital outlay to acquire fixed assets. Additionally, the acquisition of these assets often comes with long lasting and recurring financial obligation. Furthermore, efficient utilization and control and management ofacquired fixed assets are also equally important. Appropriate acquisition process, proper record keeping , periodically evaluating the efficiency of the fixed asset, regular repair and maintenance and proper disposal of fixed assets will enhance the performance of firms.

Effect of Financial Planning on Profitability

Companies typically prepare a wide array of plans and budgets. Some of which include sales plan, production plan, cost plan and expense budget and budgeted income statement and balance sheet. These budgets are very important to anticipate the future in advance. This will in turn help to minimize risks and because of the tradeoff between risk and return, profitability increases. Therefore, preparing detailedfinancial plan or budgets will have a positive effect on profitability of the firm.

Effect of Financial Characteristics on Profitability

Liquidity measured by current ratio, leverage measured by debt ratio and business activity measured by total asset turnover ratio are the three independent financial characteristics used in this study. Liquidity measured using current ratio refers to the relative proportion of current assets such as cash, receivables and inventories as compared to current liabilities. The greater the relative proportion of liquid assets, the less risk of running out of cash and profitability decrease, since these liquid assets become idle and do not earn any revenue. On the other hand, when liquidity of a firm is low, the risk is very high and profitability will increase because of the tradeoff between risk and

profitability .In physics, a lever is advice to increase force. In business financial leverage measured by Debt ratio is a device used to increase owners return. Financial leverage measured by debt tototal asset increases return on equity, when return on investment is greater than the after tax interest rate. When the return on investment is less than the after tax interest, increase in leverage reduces the return on equity. Therefore, leverage improves financial performance when things are going well but worsens performance when things are going poorly. Many people believe that assets are good things: the more the better. The reality is just the opposite. Unless a company is about to go out of business, its value is in the income stream it generates and its assets are simply a necessary means to this end. In dead, the best possible company would be the one that produces income without any asset. Other things constant, financial performance improves as asset turnover rise (Higgins, 1995). From the above discussion, the following three hypotheses can be formulated. The effect of these seven independent variables on profitability can be summarized as shown in the table below. Financial Practice & Characteristics Expected Impact on Profitability Efficiency Positive in Financial Accounting, Reporting & Analysis

Efficiency in work in capital Management ----------Positive
Efficiency in Fixed Asset Management---------- Positive
Efficiency in Financial Panning---------- Positive
Increase in Current Ratio---------- Negative

DISCUSSION :

Before proceeding to regression analysis, correlation analysis is made to investigate the relationship between variables. Correlation matrixes were used for association analysis to determine whether muticollinearity exists among variables. This was also used by previous researchers such as kieu (2004) and Chung &Chaung (2010). The correlation analysis includes dependent variables such as Profit margin (PM), Return on Asset (ROA) & Return on Equity (ROE) and independent variables such as the Efficiency of Accounting, Reporting & Analysis (EARA), Efficiency of Working Capital Management (EWCM), Efficiency of Fixed Asset Management (EFAM), Efficiency of Financial Planning (EFP), Current Ratio (CR), Debt Ratio (DR) and Total asset turnover (TAT).

The correlation coefficient among the ten variables under study. As expected, Profit Margin, Return on Asset, and Return on Equity are significantly and positively related with efficiency in Accounting, Reporting & Analysis, Efficiency in Working capital management, Efficiency in fixed asset management and efficiency in financial planning at a significant level of 0.01. In addition, the profit margin is significantly positively related with Total asset turnover, return on assets and return on equity at a significant level of 0.05. On the other hand, profit margin is significantly negatively related with current ratio at significant level of 0.05. But debt ratio was not found to be significantly related to any of the variables. Multicollinearity indicates a problem in multiple regression analysis. When the independent variables have a high probability of correlation, the regression coefficient becomes less reliable and confidence in the accuracy of the equation is questioned. A general rule is that if a correlation between any two variables is greater than or equal to 0.70, then a high degree of interrelation can be inferred and the possibility of multicollinearity exists (Kieu, 2004). As it is shown in the correlation matrix, the correlation coefficient among profitability and the seven independent variables (EARA, EWCM, EFAM & EFP, CR, TAT, DR,) are less than 0.7 which implies multicollonearity does not exist. In addition, the relationship between profit margin and ROA is not greater than 0.7. But the relationship between ROA and ROE is greater than 0.7 which implies either ROA or ROE should be used in the analysis. Therefore, profitability measured by profit margin and return on assets were used as a dependent variable. Return on equity was omitted because it is strongly positively correlated with Return on assets (r = 0.8390). Profitability Regression Model using Profit Margin as Dependent Variable R = 0.751 R = 0.564 Adj. R = 0.475 S.E.E = 0.1266539.

Above reveals that profitability measured by profit margin and the seven independent variables are significantly correlated with the correlation coefficient R= 0.751. reports the model of profitability as measured by profit margin with the coefficient of 2 determination R = 0.564. The coefficient of determination indicated that 56.4% of the variation in profitability for the sample of 37 firms can be

explained by the changes in practices of accounting, reporting and analysis, working capital management, fixed asset management & financial planning and change in performance of current ratio, debt ratio & total asset turnover ratio while 43.6% remains unexplained. In addition, the reports the summary of Analysis of Variance and F-statistics, which reveals the value of F = 6.293 are significant at the 0.0001level. The value of F is large enough to conclude that the set of independent variables as a whole were contributing to the variance of profitability measured by profit margin and therefore, the model represents the actual performance of the firms under study.

As indicated earlier, because total asset turnover was not found to be significantly related to profit margin at a significant level of 0.05, it was removed from the regression equation to improve the accuracy of the model. After removing, total asset turnover and rerunning the regression revealed that all statistical parameters including F-value, t-statistics and standard error of estimates have been improved. In the second model, return on asset is used as dependent variable while the independent variables include efficiency in accounting, reporting & analysis, efficiency in working capital, efficiency in fixed asset management, efficiency in financial planning, current ratio, debt ratio and total asset turnover. The result of the regression showed the four financial practices and the three financial characteristics influence return on asset with a coefficient of determination R = 0.306. This indicated that 30.6% of the variation in return on asset is explained by the seven independent variables while 69.4% remains unexplained. In addition, the value of F=2.142 is significant at the 0.05 level. The value of F is not high as that of F in the first model but it is large enough to conclude that the set of independent variables as a whole were contributing to the variance of return on assets.

The result of the regression analysis for a test of hypothesis confirm that the four financial management practices and two financial management characteristics are significantly related to profitability of business organizations, but no sufficient evidence was obtained for total asset turnover. The result of for individual independent factors was summarized as follows

CONCLUSION :

In conclusion, the empirical finding implies that factors of financial management are good tools for improving enterprise's profitability. This finding leads to the conclusion that the efficiency of financial management practices and characteristics can bring about higher profitability. Therefore, business organizations can improve profitability by raising the efficiency of financial management practices and characteristics. Sound financial management is essential to the success of businesses organizations. Successfully managing financial resources is important in new as well as expanding business. So time should be taken to develop and implement financial management practices that ensure success of business enterprises. In addition, a more comprehensive survey throughout the country was suggested as a future study area to come up with country level conclusion.

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Measuring Efficiency in Indian Commercial Banks with DEA and Tobit Regression

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ABSTRACT

Last 25 years Indian commercial banks has been observing deregulation, technological innovation and increased opportunities to finance Indian economy and emerging competition from private sector accompanied with foreign ownership banks. Government approach to liberalization is to spur competition which further influences to efficiency in Indian commercial banking sector. In this paper attempt has been made to examine the efficiency in Indian commercial banks particularly focus on nationalized banks. 19 nationalized banks are selected for this study. The period of the study is 2010, 2011 and 2012; the required data is collected from IBA website. The data analysis is processed with the help of R- software. To examine the efficiency in nationalized banks data envelopment analysis technique in used with constant return to scale and variable return to scale. For data envelopment analysis the inputs selected are interest expenses, operating expenses and for output variable selected is interest income, non interest income. For further analysis tobitregression model is considered with fiveindependent variables deposit share of bank, operating profit, non performing asset, credit deposit ratio , investment deposit ratio and dependent variable is technical efficiency score.

Keywords- Nationalized banks, Data Envelopment Analysis, CSR,VSR, Technical Efficiency , Tobit Regression

1) Introduction

The banking sector plays a very crucial role in the economic growth in India. The efficient banking sector is thus the fundamental requirement for smooth functioning of any economy **(Arora et.al.)**.Soundness is key for Indian financial system and soundness is synonymous for stability, profitability, efficiency, productivity and a shock free environment **(A.K. Mishra et.al. ,2013)**.If banks intermediate efficiently it positively affects to economic growth and banking failures results into systematic crises, so bank performances are at vital interest for depositors, regulators, customers and investors**(M Duygun- Fethi,2009)**.Measuring operational efficiency of financial institutions is pivotal for academic researcher and policy makers, as aim of both is to assess the impact of market structure on financial system and improve efficiency of financial system **(ShaikSaleemet.al., 2014)**.The main objective of liberalization Indian banking is stability, stand against external shocks and remain internally sound and sensible. As efficiency in Indian commercial banks increases it leads to reduction in spreads, this will stimulate industrial loan demand (lead to higher economic growth) and greater mobilization of savings **(Majid Karimjade,2012)**.Competition in banks and banking system forces commercial banks to perform efficiently (**I.A. Shah, 2012)**.

Indian commercial banking comprises of scheduled commercial bank and non scheduled commercial banks. Scheduled commercial bank includes SBI group, nationalized banks, private sector banks, foreign sector banks and regional rural banks. This paper is focused on nationalize bank group. Indian government nationalizes commercial bank in 1969 and 1980 to pursue objectives indentified with social orientation. These banks are under government control and faced various challenges from regulated interest rates, reserve requirement, directed lending. By 1991, liberalization with deregulated interest rates allowed these banks to pursue its own course of action, devise strategy to compete with other banks and perform efficiently. But still government expectation in social objective is not eliminated; these banks have to support government in schemes like Jan DhanYojana, LPG subsidy. These schemes drags nationalize banks into additional admin work, staff, administrative expenditure. Also nationalize banks faces political interference into distribution of credit which

resulted into NPA. Nationalized banks have huge branch network which resulted into substantial amount of staff remuneration cost. The objective of banking is to work as intermediary between savers and borrowers and this job need to be done with efficiency. But as above mentioned issues like political interference, government interference, employee unions forces these banks to work in less efficiency. So this paper address efficiency issue in Indian nationalized banks and after liberalization in banking policies such analysis is required to measure how these banks are performing.

The objective of this paper is to measure the efficiency in Indian commercial banks during 2012-2014 and this paper focuses on nationalized banks particularly. The first part of this paper provides introduction to the topic, second part discusses on literature review, third part introduces to the research methodology adopted for study and then data analysis with findings are supported. Final part of the paper concludes this study.

2) Literature Review

Avkiran (1999), DEA gives an intuition on the areas that need to be improved but it lacks information on what are the ways in which the improvement need to be done.**Vinod R.R. (2013)** adopted intermediation approach to study efficiency in Indian private sector banks and found that only 3 private sector banks out 12 are consistent during 2008-2012. i.e. only 25% of sample banks are consistently technically efficient (ING Vysya Bank Ltd, Karur Vysya Bank Ltd, Nainital Bank Ltd). **Abhiman Das et.al. (2006)** have adopted intermediation approach, value-added approach and operating approach to examine how efficiency score vary changes in input and output. The findings of the study indicate that banks that have less non performing loans are technically more efficient.**(Don U. Galgedara,2010)** examined the efficiency of Indian commercial banks during 1995-2002, observed that no significant growth in productivity in private sector banks and public sector banks demonstrated modest positive change. **(Amit Kumar Dwivedi et.al., 2011)** studied the efficiency in all Indian commercial banks with the model which includes loans and non interest income as output and no of branches , operating expenses and deposit as input. His study found that national banks, new private banks and foreign banks showed higher efficiency as compare to private banks, SBI group and nationalized banks during study period 2006-2010.**(Mukesh Kumar et.al.,2012)** examined Indian commercial banking sector from 1996-2010 and observed economic reforms and global financial crisis. The study concluded that sector banks are faintly doing better than private sector banks in terms of technical efficiency and scale efficiency. The observed increased return to scale in public sector banks indicates that sustaintial gains could be obtained with altering scale of operations either with internal growth or consolidation in sector.**(Arora et.al.,2014)** found lest overall technical efficiency score for foreign banks where private sector banks better performed to public sector banks. **(A.K. Mishra et.al., 2013)** found that private sector banks are found efficient compare to public sector banks. **(ShaikSaleem et.al., 2014)** foundforeign banksare more efficient than private and public banks. So to improve operational efficiency in public sector banks , PSB should develop management team and highly qualified personnel with sufficient skills in assessing the opportunities and threats.**(MilindSathye)** found that mean efficiency score compares well with world mean efficiency socre and private sector banks as group perform better than public and foreign sector banks.**(A. Armugam, 2014)** found that nationalized banks and SBI group are less efficient as compare to the private and foreign sector banks during 2002-2011, but in recent times all banks are found increased their efficiency socres.**(Sunil kumar,2008)** found that proposition that larger the bank more it is efficient does hold in Indian sector banks. So the banks to become more efficient need to choose appropriate input and output mix with optimum scale of size.

3) Research Methodology

i) Objectives –

a) To measure efficiency in Indian commercial banks with focus on nationalized banks.
b) To predict efficiency score with Tobit regression model.

ii) Period of study is 3 years 2012, 2013, 2014.
iii) Data is collected from IBA website.

iv) Sample for study is 19 nationalized banks.
v) Data analysis is processed with the help of statistical package -R software.
vi) Techniques used for data analysis

1) Data envelopment analysis

In banking researchers consider production approach and intermediation approach of data envelopment analysis. The production view of DEA consider number of accounts of deposits or loans as inputs and outputs respectively. This approach assumes that banks produce loans and deliver financial services and assumed that banks are intermediaries between depositors and borrowers. The intermediation approach assumes banks as financial intermediary and so considers volume of deposits, loans and other variables as inputs and outputs. In this paper intermediation approach of DEA is used with input orientation model which assumes that efficient consumption of resources while holding output constant. CCR model of DEA work out as constant return to scale (CRS) assumption, provides technical efficiency which is overall efficiency of banks. The BCC model assumes that variable return to scale (VRS), which permits to the calculation of technical efficiency and scale efficiency. TE score obtained underCRS model measures overall efficiency due to input output configuration and size of operations i.e. it is gross efficiency score and it comprises of scale efficiency and technical efficiency aggregated into one. The efficiency measure under VRS model represents pure technical efficiency due to only managerial performance or inefficiency due to managerial underperformance. The relationship between TE under CRS model and VRS model is scale efficiency.

Input variable	**Output variable**
Interest expenses	Interest income
Non interest expenses	Non interest income

Table No.1- DEA model used in the study

DEA is operation research based non parametric technique which indicates efficiency when TE score =1 and inefficiency otherwise. This paper examined input output oriented model of DEA which assumes: By how much quantities can proportionately be reduced without altering quantities produced?

2) Tobit regression model

In second stage, censored Tobit regression model is considered for further analysis and this study examines following Tobit model.

$TE= \beta 0+ \beta_1 dep+ \beta_2 oprofit+ \beta_3 idr+\beta_4 cdr + \beta_5 npa+\varepsilon$

Dependent variable = TE score

Independent variables

Dep= deposit share of i bank in total bank deposit; oprofit= operating profit to total asset; idr=investment deposit ratio; cd=credit deposit ratio;npa= Non performing asset; ε= error term

4) Data analysis and interpretation of results

Following part of the paper discusses on data analysis and interpretation of the findings. First discussion is provided on technical efficiency scores obtained with VRS model, CRS model and then results of Tobit regression model are provided.

Appendix 1 provides detailed TE score, PTE score and scale efficiency scores. In 2012, Allahabad bank, Dena bank, Syndicate Bank, UCO Bank is found efficient and rest banks are inefficient with corporation bank and Indian bank found lowest score. Also average efficiency is found 74% with standard deviation 25%. In 2013, Bank of Maharashtra, Punjaband Sind Bank, Syndicate Bank, UCO Bank found efficient and rest banks are inefficient with Andhra bank , Indian bank are lowest efficient. Also average efficiency in 2013 is found 75% with standard deviation 26%. In 2014, Andhra Bank, Dena Bank, Punjab & Sind Bank are found efficient banks and rest banks are found efficient with United Bank of India as lowest efficient banks. Also average efficiency in 2014 is found 70% with standard deviation 21%.

```
Call:
tobit(formula = te ~ dep + oprofit + idr + cdr + npa, data = a)
Observations:
Total  Left-censored     Uncensored Right-censored
         51            0                 51            0
Coefficients:
Estimate Std. Error z valuePr(>|z|)
(Intercept)  1.790065   0.321938   5.560 2.69e-08 ***
dep  -1.792775   0.476880  -3.759 0.000170 ***
oprofit  14.799312   3.968888   3.729 0.000192 ***
idr   -0.009366   0.004532  -2.066 0.038782 *
cdr  -0.009816   0.003488  -2.814 0.004893 **
npa -0.002271   0.014705  -0.154 0.877248
Log(scale)  -2.515367   0.099015 -25.404 < 2e-16 ***
---
Signif.codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
Scale: 0.08083
Gaussian distribution
Number of Newton-Raphson Iterations: 4
Log-likelihood: 55.92 on 7 Df
Wald-statistic: 24.51 on 5 Df, p-value: 0.00017296
```

Table no.2-Tobit model results

Table no.2 shows the result of tobit regression model. All independent variables are found statistical significant except NPA where dependent variable is TE scores. The banks which have higher market share in deposit are adversely affecting to TE scores and deposit is found statistically significant. This indicates that banks which have easy access to deposit mobilization are less efficient. The banks which have higher operating profit have higher TE score and operating profit is found statistically significant. The banks which have higher investment deposit ratio focuses on investment to increase income than credit distribution so it resulted into less efficiency and investment deposit ratio is statistically significant. Also banks which have high credit deposit ratio are found performing less efficiently and this relationship is found statistically significant. NPA is found statistically insignificant but the relationship indicates negative relationship between NPA and TE score. Chart no.1 shows that actual te score and te score predicted by tobit model with residual. The model has predicted te scores accurately with presence of small variation in residual.

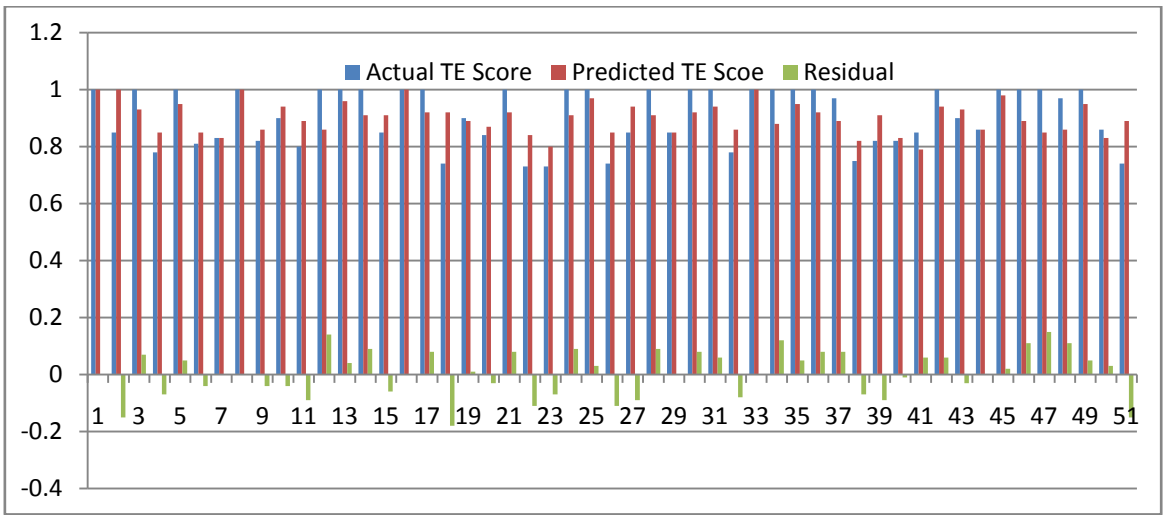


Chart no.1- Actual TE score, predicted TE score, Residual

5) Findings and conclusion

In this paper attempt has been made to understand efficiency in Indian commercial banks with focus particularly on nationalized banks. The study found that overall average technical efficiency in 2012, 2013, 2014 is 74%, 75%, 70% respectively with CRS model. Average technical efficiency in 2012, 2013, 2014 is found 87%,84%,88% respectively with VRS model. Average scale efficiency in 2012, 2013, 2014 is found 82%, 85%, 78% respectively with VRS model. Tobit regression model has found all the independent variables significant except NPA. Only operating profit variable is positively related with TE score. The study found banks with high deposit ratio need to focus on their overall efficiency by identifying and removing factors adversely affecting their performance. The banks with high investment deposit ratio are less efficient, these banks need to reduce their investment and focus on their core activities or alter their investment portfolio with high return securities. Banks with high CD ratio are also inefficient, these banks need to focus on credit distribution by avoiding NPA issues or increase investment in other securities to increase efficiency.

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Appendix 1 – DEA Efficiency scores of nationalized banks 2012-2014

	CRS(TE)	VRS		CRS(TE)	VRS		CRS(TE)	VRS	
Nationalise Banks	TE	TE	SE	TE	TE	SE	TE	TE	SE
Allahabad Bank	1.00	1.00	1.00	0.74	0.74	1.00	0.72	1.00	0.72
Andhra Bank	0.55	0.85	0.65	0.04	0.45	0.09	1.00	1.00	1.00
Bank of Baroda	0.76	1.00	0.76	0.75	0.90	0.83	0.65	0.97	0.67
Bank of India	0.65	0.78	0.83	0.72	0.84	0.86	0.56	0.75	0.75
Bank of Maharashtra	0.92	1.00	0.92	1.00	1.00	1.00	0.74	0.82	0.90
Canara Bank	0.67	0.81	0.83	0.67	0.73	0.92	0.63	0.82	0.77
Central Bank of India	0.74	0.83	0.89	0.72	0.73	0.99	0.65	0.85	0.76
Corporation Bank	0.18	0.49	0.37	0.82	1.00	0.82	0.53	0.66	0.80
Dena Bank	1.00	1.00	1.00	0.97	1.00	0.97	1.00	1.00	1.00
Indian Bank	0.07	0.44	0.16	0.10	0.37	0.27	0.67	0.90	0.74
Indian Overseas Bank	0.77	0.82	0.94	0.74	0.74	1.00	0.65	0.86	0.76
Oriental Bank of Commerce	0.84	0.90	0.93	0.82	0.85	0.96	0.79	1.00	0.79
Punjab & Sind Bank	0.79	0.80	0.99	1.00	1.00	1.00	1.00	1.00	1.00
Punjab National Bank	0.75	1.00	0.75	0.71	0.85	0.84	0.68	1.00	0.68
Syndicate Bank	1.00	1.00	1.00	1.00	1.00	1.00	0.73	0.97	0.75
UCO Bank	1.00	1.00	1.00	1.00	1.00	1.00	0.87	1.00	0.87
Union Bank of India	0.72	0.85	0.85	0.72	0.78	0.92	0.64	0.86	0.74
United Bank of India	0.86	1.00	0.86	0.91	1.00	0.91	0.04	0.59	0.07
Vijaya Bank	0.86	1.00	0.86	0.83	1.00	0.83	0.74	0.74	1.00
Average	0.74	0.87	0.82	0.75	0.84	0.85	0.70	0.88	0.78
Standard Deviation	0.2536	0.17	0.222	0.2664	0.187	0.249	0.2125	0.13	0.205

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Political Intervention and the Mounting of NPAS in State Banks: The Case of National Bank of Commerce in Tanzania

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ABSTRACT

The National Bank of Commerce (NBC) was formed in 1967 when all private commercial banks in Tanzania were nationalized and their assets and liabilities merged, resulting into the establishment of one big commercial bank, the NBC. This was in implementation of Arusha Declaration that demanded a centrally planned economy for the country. Because of the dual government ownership of the banks and other government owned firms, bank lending policies and procedures favoured government owned firms (Chijoriga, 2000).When the parastatals were experiencing financial difficulties and unable to pay bank loans, the government solved the problem by directing the NBC to offer further loans.Collier (1991) in Chijoriga (2000) observed that all loans outstanding at the end of 1987 had been advanced to crop marketing boards and parastatals.In the end, the banking system had large amounts of bad debts and NPAs. In 1990, the NBC's provision for bad and doubtful debts was estimated to be 45% of its loan portfolio.

The Banking and Financial Institutions (1991) Actbrought about massive reforms in the financial sector, allowing entry into the country of private banks and other financial institutions,also calling for the restructuring of the state owned banks. The NBC, now operating as a private bank with the government owning only 30% of its equity capital is currently earning profit and has only a modest amount of NPAs.

Key words: political intervention, NPA, parastatals, lending policy, bank ownership.

1. INTRODUCTION

Banks possess a variety of assets, both physical and non-physical assets. Among the most important type of assets owned by banks are the moneys advanced to borrowers which are expected to be received back from them. Such assets are referred to as loan assets. Normally, these loan assets (advances or loans) issued to borrowers (these are customers to the banks) are repaid together with interest. The importance of these assets stems from the fact that they are the source of income to the bank. The interest received is an income to the banks and an important determinant of the survival of banking institutions. When these assets do not perform by earning the expected income, they become non-performing assets (NPAs). Rao and Nirmada (2006) observe that an asset becomes non-performing when it ceases to generate income for the bank. At this time, the customer will not be paying interest as required by the terms of the loan. This affects the profitability of the bank because its profits will be reduced by the amount of interest unpaid by the defaulters. K. Rao, Y.Rao and Kumar (2012) viewed an NPA as a loan or an advance where interest or an instalment of the principal remains overdue for a period of more than 90 days. This perception of NPA is consistent with Basel II accord and as such it is internationally agreed that an account becomes an NPA when it is overdue for a period exceeding 90 days (Veerakumar,2012). It can be seen that a loan becomes an NPA because the advance was given to a person who ultimately defaulted in fulfilling the obligations stipulated in the loan agreement. It can be said that NPAs arise because the bank issued loans to applicants who did not deserve to be advanced. One may wonder as to why the bank officers, deemed to be professionals in the banking industry, should make such blunders that may cause their institutions to close business. This paper shows that bank officers may be required to ignore their professional expertise and issue

loans to unqualified loan applicants just to please the requirements of politicians who happen to be the rulers. The situation is more evident where the banks are state owned and as such are under the control of the politicians. Tanzania is given as a case in which before the financial sector reforms of 1991, the only commercial bank operating in the country was the National Bank of Commerce (NBC) which was 100% owned by the government and accumulated massive amounts of NPAs.When the bank was privatised as a result of the reforms, it started to operate profitably.

2. THE NATIONAL BANK OF COMMERCE (NBC) BEFORE ITS PRIVATIZATION

The National Bank of Commerce (NBC) was formed in 1967 when all private commercial banks in Tanzania were nationalized and their assets and liabilities merged, resulting into the establishment of one big commercial bank, the NBC. This was in accordance with the demands of the Arusha Declaration that required all commanding heights of the economy to be placed under public ownership. The country's economy was to be centrally planned like those of socialist countries. That is to say, by nationalizing private enterprises and demanding that the commanding heights of the economy be under the state ownership, the country adopted a socialist path in its economic and political agenda.A number of parastatal organizations were created in that regard to the extent that most of manufacturing, distribution and service businesses in the country were owned by the government through parastatal organisations. A company was deemedparastatal when the government (or its agency) owned more than 50% of the company's equity shares.The President of the country was the appointing authority of the Chief Executives (CEOs) and chairpersons of the board of directors of the parastatals, including banks and other financial institutions. Being under the control of the state, these parastatals were to implement the country's priority areas as determined by the political and economic agenda of the government. Most of the lending policies and other regulations of NBC were therefore controlled and regulated by the government.

The NBC was the only commercial bank in the country with a very extensive network of branches throughout the country. By the end of 1991, NBC had grown to 203 branches and 337 agencies spread in all Tanzanian mainland regions (Chijoriga, 2000). The bank had a monopoly to commercial bank lending. It had commanded a market share (in terms of deposits held) of approximately 80%, making it the major mobilizer of savings and the lending provider of commercial banking services. The balance was provided by other banks or financial institutions that were created for specific purposes. For example, the government formed the Tanzania Housing Bank (THB) specifically to provide loans for financing house construction; the Co-operative and Rural Development Bank (CRDB) was formed to cater for giving loans mainly for farming activities, etc. It should be noted that these other banking institutions were also state owned, i.eparastatals.

The government chose the sectors of the economy to which lending priorities should be given by its banks. This often had nothing to do with the financial viability or profitability of the sector or project. Collier (1991) in Chijoriga (2000) observes that because of the dual government ownership of the banks and the parastatals, bank lending policies, procedures and regulations favoured government owned firms (parastatals and agricultural marketing boards). Collier further points out that lending in situations of centrally planned economy was determined by government priorities rather than the market. He also observed that in such situations, lending to the public sector was determined by need rather than by viability. This implied that, loans to the public sector could as well be made to cover the operating difficulties instead of being directed to assets formation and continued investment. He shows that all loans outstanding at the end of 1987 were to cover the operating difficulties of the crop marketing boards andparastatals.

Kilindo and Nyangetera (1995) in Chijoriga (2000) contend that at the end of 1988, about 78% of NBC loan portfolio went to parastatals and cooperative unions, with only 3% going to private firms. This is a very big share of the loan portfolio and becomes dangerous to the bank if the loan beneficiaries do not repay the loans.When the parastatals were experiencing financial difficulties and unable to pay the bank loans, the government solved the problem by directing the NBC to offer more loans to the troubled parastatals and cooperative unions. In the end, the banking system had large amounts of bad debts and NPAs. According to the Presidential Banking Report (1990), the NBC's

provision for bad and doubtful debts was estimated to be 45% of its commercial bank loan portfolio. This implies that, out of the total loans offered, 45% was not collectable and declared as NPA (Chojoriga, 2000).

From the way the NBC was operating, it was almost certain that the bank would collapse as a financial institution. This is a logical destination for a bank that had accumulated huge amounts of NPAs. Collins and Wanjau (2011) had the observations that the immediate consequence of large amounts of NPAs in the bank system is bank failure. As pointed out earlier, this bank was virtually the only commercial bank in the country with a network of branches in all regions. Its failure would have far reaching consequences. The NBC was a"Too Big to Fail Bank" because its collapse or failure could trigger the collapse of the entirebanking system or the economy as a whole (Chijoriga, 2000). As a result, the bank would receive subsidy from the government whenever it was in financial difficulties. In 1991,the Tanzanian government was forced to savethe NBC by advancing about US$ 37 million in the form of government bonds tocover for its non-performing loans.

3. PRIVATIZATION OF NBC

The NBC, like other parastatal organizations including financial institutions, performed poorly to the dissatisfaction of the government. Consequently, the government had to find a way of rectifying the situation. Financial sector reforms were initiated to review the operation of the banking industry for the following reasons: First, the banking industry was performing very poorly. Increased losses and non-performing assets (NPAs) resulted mainly from lending to financially distressed parastatals and cooperatives. Second, there was an increase in the subsidies to the banks which were a burden to the Government. The third reason was non-declaration of dividends by the banks (BOT 2011). Since the Government had invested in those banks, it expected to get a return from its investments in the form of dividends. However, due to poor performance, the government-owned banks and financial institutions could not declare profits and pay dividends. A presidential commission was formed to advise on the ways to reform the financial sector in order to make it more beneficial to the economy and country in general. Following recommendations of the commission, the Banking and Financial Institutions Act (BFIA) was enacted in 1991 to govern the conduct of banking business in Tanzania.The Act brought about massive reforms in the financial sector, allowing entry into the country of private banks and other financial institutions; also calling for the restructuring of the state owned banks and financial institutions. This act was revised in 2006 (GOT, 2006).

Privatization of the NBC started in 1997 by restructuring it whereby three separate entities were formed. These were the NBC (1997) Limited, the National Microfinance Bank (NMB) Limited and Consolidated Holdings Corporation (CHC). Each of the created entities was given different specific purpose. The NBC (1997) Ltd was to operate as a commercial bank with streamlined operations that would make it a viable entity capable of attracting private investors for joint ownership. The NMB Ltd was created specifically to offer financial services to small and micro institutions (SMIs). The CHC was created specifically for management of debts of the former NBC. CHC was therefore charged with assignment to collect, or take necessary action with regard to, the debts of the NBC. Privatization of NBC was concluded in 2000, when the South African banking group Barclays Africa Group, at that time known as Absa Group Limited, acquired a majority (55%) stake in NBC (1997) Limited. The Government of Tanzania retained a 30% shareholding and the International Finance Corporation (IFC), a member of the World Bank Group took up 15% shareholding in the bank. The new entity became known as National Bank of Commerce (Tanzania) Limited.

4. PERFORMANCE OF NBC AFTER PRIVATIZATION

The newly bornNBC (T) Ltd. was formed on 1st April 2000. The Chief Executive and the Chairperson of the Board of Directors ceased to be appointed by the government; instead, they are appointed by the shareholders through the Board. According to the Shareholders' Agreement, the Chairman of the NBC board should be a Tanzanian non-executive director (NBC, 2007). The board consists of 11 directors, of whom three are executives and eight are non-executive. It is apparent that influence of the politicians and the government on the operation decisions of the bank was made an

issue of the past. Professionalism becomes the guiding force in lending and other operating decisions of the bank pursuant to the mission and vision of the bank as a business entity.

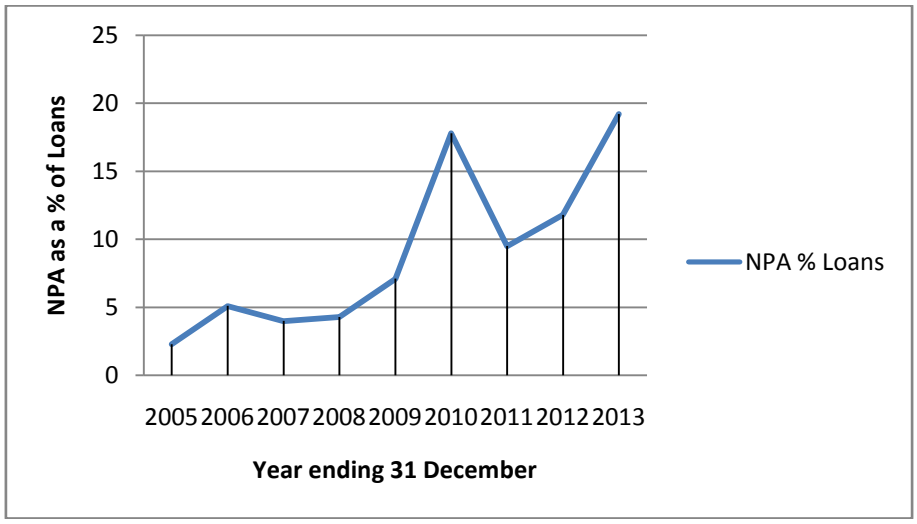
Considering just five indicators of performance, the NBC has performed fairly well during the period 2005 through 2013. The following table shows the bank's performance with respect to the chosen five indicators namely NPA as a percentage of loans and advances; profit after taxes; return on equity; return on assets (investment); and loan growth ratio.

NBC PERFORMANCE 2005 THROUGH 2013

Year ending 31 December	NPA % Loans	Profit after tax in Billion Shs	Return on equity in %	Return on assets in %	Loan growth %
2005	2.3	18	37.8	3.4	56.4
2006	5.1	26.4	37.5	3.7	28.7
2007	4	32.5	33	3.7	29
2008	4.3	39.7	33.5	3.7	43.4
2009	7.1	40.9	27.5	3.3	1.8
2010	17.8	-13.6	-9.9	-0.94	5.6
2011	9.5	11.6	7.9	0.77	0.8
2012	11.8	3.3	1.7	0.14	-3.5
2013	19.2	9.8	3.7	0.45	4.5

4.1 NPA as a Percentage of Loans and Advances

This is an indicator that portrays how much of the loans and advances made by the bank are not performing by generating income to the bank. This amount does not only affect the bank by reducing its profit from the interest not received, but in addition, banks are supposed to make a provision for the NPAs which further reduce the reported profit. The performance of the bank with respect to this indicator can be depicted as follows:

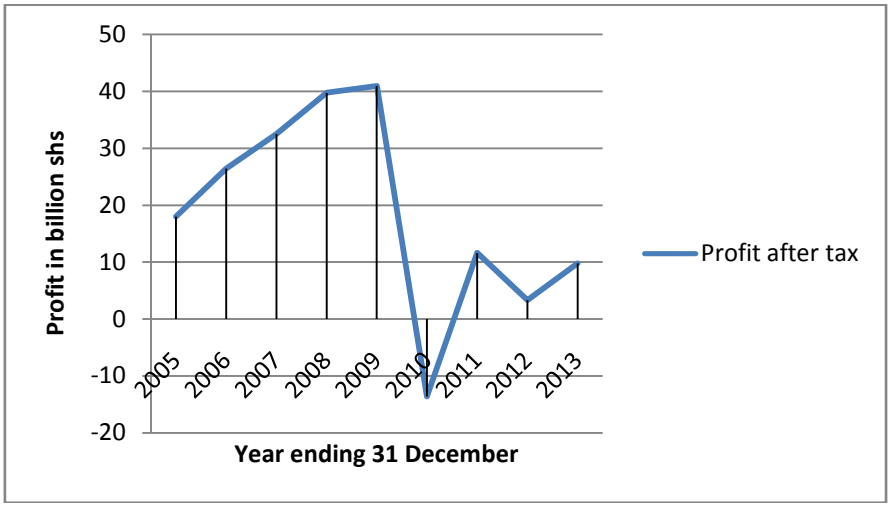


It can be seen that NPA has been below 10% for most of the time. It rose very sharply in 2010 and then in 2013. The bank had an explanation for this rise in 2010. The reason advanced was that the bank adopted a new group retail impairment policy that increased the provision for impairment. The effect of the adoption of this policy was also felt in the reported operating results. It was only in this

year where the bank made a loss instead of profit. The general performance is in sharp contrast with the bank's performance before privatization when NPAs were in the tune of 40%.

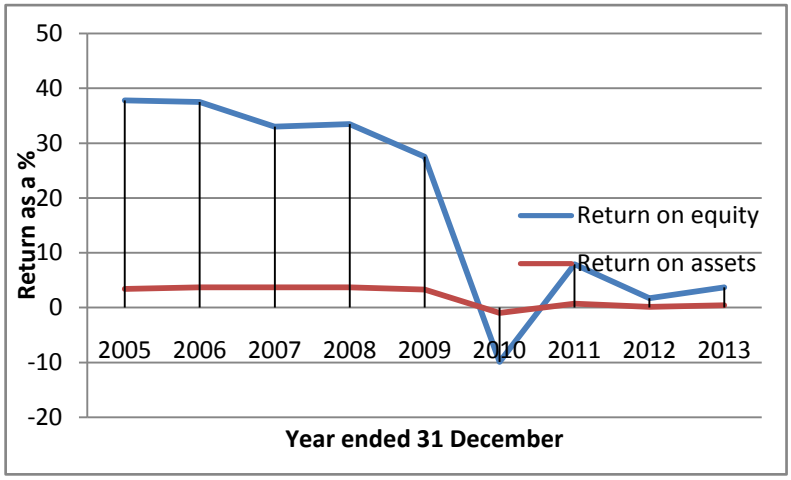
4.2 Profit after taxes

The bank is a commercial entity seeking to make profit which was the incentive that made owners to invest their money into the business. Balasubramaniam (2013) noted that performance in terms of profitability is a benchmark for any business entity, including banks and other financial institutions. If the bank does not make a profit for the year, it would imply that the investors become worse off at the end of the year compared with their condition at the beginning. Siraj&Pillai(2013) notes that survival of any business, banks not excluded, depends on the ability of the business to generate profit and compete effectively in the market. The absolute amount of profit earned for a period is among the measures of performance for any business entity. The profit made by NBC during the period under review can be depicted as follows:



It can be observed that the amount of profit had been growing steadily over the years except in 2010 when it dropped very sharply up to incurringa loss. It was explained by the bank that the loss made by the bank in 2010 was caused by a change in accounting policy with respect to impairment of retail credit. The bank made profit in all other years contrary to the performance before privatization when the bank did not make any profit.

4.3 Returns on asset and equity

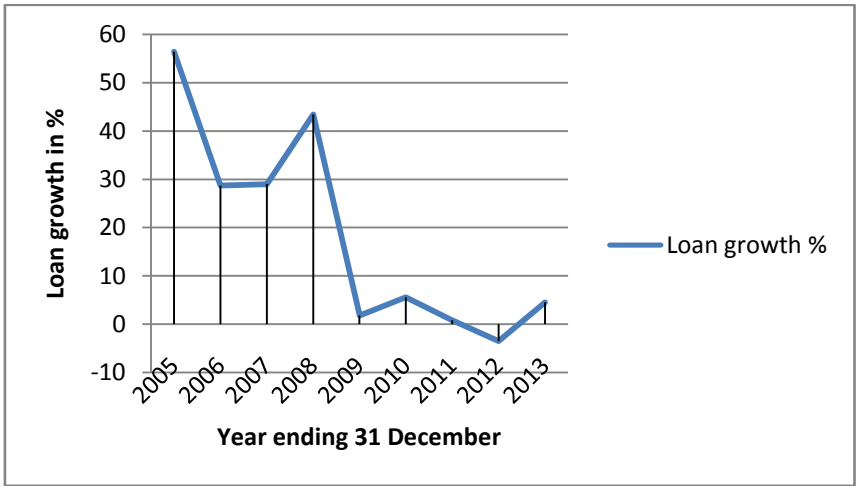


The amount of profit made by a business concern may not portray all pertinent information when viewed in absolute terms. It is found more informative if the amount of profit made is considered relative to some important attribute of the entity. Among attributes that are considered with the profit made are the total assets employed and the total equity. With total assets employed, analysts want to measure how much of the profit made is attributable to each unit of currency of the resources (assets) utilized in operations. Return on asset is also referred as the return on investment. Additionally, analysts would like to establish the profit made on each unit of currency of shareholder's money used in operations. This is the return on equity, also referred to as return on capital. Performance of the bank with respect to these indicators is depicted below:

It is clear that the bank had positive returns on both assets employed and equity for all the period with the exception of 2010 when the bank made an operating loss occasioned by a change in accounting policy. Although the returns do not show an upward trend in all the years, they are positive. In 2009, the return on assets dropped a bit sharply because the bank made a revaluation of its assets that increased the book value of the bank's assets. Since this indicator is computed by dividing net income (numerator) by the book value of assets (denominator), increasing the value of assets implied a reduction in the return on assets dropped. Since the bank always incurred losses before its privatization, both its returns on assets and equity were negative throughout.

4.4 Loan growth ratio

This indicator shows how aggressive the bank was in netting customers. It should be noted that a bank survives because it is able to obtain customers who borrow and pay back the borrowed sums with interest. If a bank is able to attract more customers, it will be sure of making more profit provided those customers do not default in payment of interest and instalments of the principal that falls due. Performance of the bank with respect to this indicator is depicted below:



Performance in this area does not show any particular trend. Sometimes the growth was negative, sometimes no change and yet in some other instances the growth was positive. The bank officers use professional judgement to grant loans to customers. By professional judgement, it is meant to identify who is a good customer to be allowed a loan and who is a bad loan applicant to be denied a loan. It can be noted that after adoption of a new accounting policy in 2010 that related to impairment of retail credit, the bank was more careful in selecting customers to the extent that there was a decline in increase in loans granted and in 2011 and 2012.The total loans granted in these years fell short of the loans advanced in the previous years. This scenario differs with the operation of the bank before privatization when politicians and the government would simply instruct the bank to issue loans even to proven defaulters.

5. SUMMARY AND CONCLUSION

It has been shown that political intervention in the operations of banks will most likely cause NPAs to rise to high levels. Political intervention is most pronounced in state owned banks under centrally planned economy situations. In these economies, market forces are not left to regulate the variables in the economy, but rather, political decisions have the greater influence on the mechanism of most economic functions of the country. Growth in NPA levels has the effect of throwing the bank into massive losses and may result into bank failure. When professional expertise and judgement are allowed to prevail in the operations of a bank, positive results are likely to be the outcome. This was demonstrated by the National Bank of Commerce in Tanzania. This bank had performed very poorly at the time it was state owned, and its business and lending decisions were directed by the government. At that time Tanzania's economy was centrally planned under a somewhat socialism political system. Things changed drastically when the country moved to a rather market economy and made massive economic reforms that included allowing private banks to operate in the country. The National Bank of Commerce was ultimately privatized and moved from a loss making entity to a successful profit earning commercial bank.

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The Impact of Social Networking Sites on Investment Decisions

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ABSTRACT:

The social media is influencing the society at large. All customers are using whatsapp, face book, twitter for their communication. The social media is influencing the personal life of customers. Most financial services companies have only a piecemeal social presence. That said, it's currently one of the most talked about financial brands on Twitter and the Priceless Surprises hash tag has been shared thousands of times. This is one of the things to watch out for when using social channels: once something is out there, it's out there. In the present research paper, researcher studied the impact of social media on buying decisions of financial customers. The financial decisions are now a days influenced by the social media.

Keywords: Social Media, Financial Decisions and Social Financial Marketing etc.

Introduction

Mangold & Faulds (2009) cited Blackshaw & Nazzaro (2004) definition of social media, which describes it as: "A variety of new sources of online information that are created, initiated, circulated and used by consumers intent on educating each other about products, brands, services, personalities, and issues".

David Armano, an influential expert on the subject, referred to social media as the ―construction of connectiveness; he differentiated between digital and social, thus he described the current situation as the "Digital Social Revolution.

Marketing in the financial services industry has rarely been ahead of the curve. This is nobody's fault; legislation, data protection and complex target audiences have been the root cause. However, the world has gone digital, then social, and the industry has been slow to adopt and even slower to adapt its pre-existing structures built to deliver more traditional media.

Brands like Red Bull and Virgin are busy showing the world how to evolve using social channels, while retail and investment banks are still trying to work out handle names for their multiple product-led Twitter accounts. Moreover, when they try, it doesn't always end well: just look at MasterCard's disastrous involvement with the Brit Awards.

That said, it's currently one of the most talked about financial brands on Twitter and the #PricelessSurprises hashtag has been shared thousands of times. This is one of the things to watch out for when using social channels: once something is out there, it's out there. But it's not exactly positive, and MasterCard could yet put an end to the original campaign idea.

Most financial services companies have only a piecemeal social presence. Their siloed, product-led nature means their divisions all have their own voices. With the advent of social, they are trying to reorganize this internally instead of focusing resources externally to engage with customers. In contrast, TSB has used social channels as part of its launch campaign and done so beautifully, with a consistent tone of voice and frequent messaging promoting its brand position as our local bank.

For financial services brands, social media is a very complex thing. Lifestyle brands have it easy, as the trust you need to earn a place on a customer's mobile phone screen or Twitter feed is inherent for brands like Nike, Google, etc. However, a lack of trust in the financial services category makes it

hard even for the good companies to use it effectively. In fact, most customers have their head in the sand when it comes to communicating with the big bad world of banking.

That said, a few are getting it right. Every morning on the @HSBC_UK_Help Twitter feed, an HSBC person gives their name and says they're there to help with any queries. It's reassuring as a name shows you're reaching out to a real human.

Another example is Scottish Widows' integrated campaign of Life Feels Better When you Have a Plan, which is reassuring but passive. Living life today is a positive message – but if that's living, it's life in slow motion. Curiously, it feels like a campaign targeted at the grey pound, but using channels more appropriate for twentysomethings.

The brands which are focusing strongly on being customer-centric (eg Lloyds Bank's Moments that Matter) tend to be those with a stronger digital strategy and better engagement. Social isn't just another marketing channel – and the ones that realize customer service plays a big role in social communications tend to be more successful.

Financial brands, even more so than others, need a cross-organization social strategy, not just a marketing strategy that includes social. They also need to measure it. Boards and budget holders in this category are numbers people by definition, so a lack of metrics and tangible results means social isn't taken seriously, which means it doesn't get allocated budget ... which means you don't get the metrics ... which means ... and on and on...

2014 will no doubt see advances, but the risk is that by the time slower financial brands are organized on Facebook, Twitter and YouTube, those channels will be dead and new ones will be emerging. And so it begins all over again.

Social media is not only used for personal uses but is now playing a growing role in business and organizations; with entrepreneurs increasingly looking towards social media platforms to market their businesses. It is evidently becoming the case that investment in social media "is a necessity, not a luxury", it is a fundamental instrument which should be used in any marketing plan.

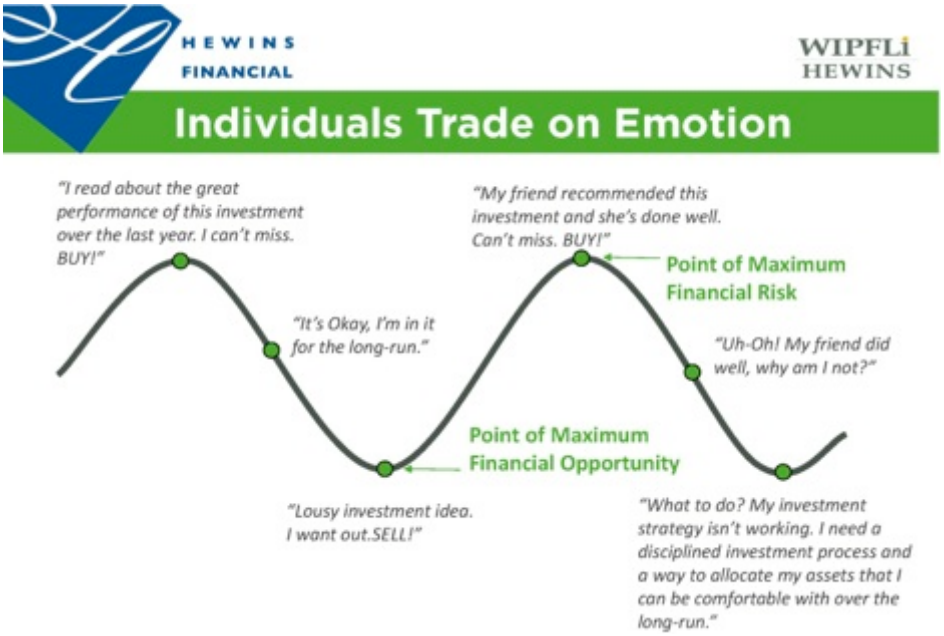
However, it is clear that business owners encounter various challenges with respect to investing in social media; they may face lack of time and knowledge on how to determine the return on investment (ROI) as an example; this is a recognized measurement to evaluate the efficiency and financial consequences of an investment and to ultimately assess the profitability of a business.

The Emotional Cycle of Investment Decision-Making

It can be a challenging task to manage an investment portfolio on your own. Despite the challenges, many people forge ahead and do not seek help from a financial advisor. While there are many aspects that need to be understood and addressed when managing finances, one particular aspect is the potential impact of social media on financial decisions.

First, let's review the emotional cycle that many people face when making an investment decision. The set of emotional triggers surrounding purchase and sale decisions can cause us to make costly mistakes. For instance, you hear that an investment has done well (maybe from a friend or associate), so you buy it after learning about its short-term period of good performance, at or near the peak of the shorter-term pricing. As it begins to decline in value, you convince yourself that it is still a great investment and that you should hold onto this security for the long haul, continuing your emotionally-based decision-making process. When the investment declines further in value, the emotional pain of holding it becomes much greater. At some point, usually near the bottom of the pricing cycle, you fall out of love with the idea of this investment and decide you can't take it any longer, so you sell. By reacting in this fashion, you have essentially created a pattern of buying at higher prices and selling at lower prices.

If you repeat this process, you are likely not putting yourself in a fruitful long-term financial position. Quite the opposite. You are probably reducing your wealth by operating in this emotional cycle. Why does this happen? This is a natural result of emotions driving investment decisions. One of the most difficult parts of managing your own investment process is to do so without emotion. In fact, it is virtually impossible for many people.



So, what happened to the friend that recommended this investment? You have no idea? People may tell you about investments, but they generally don't provide a detailed list of their track record. They may likely have had a much less rosy experience than the one that they portrayed. But, it is certainly fun to tell these stories at social gatherings. This is a form of the big fish story of the next generation.

However, there is someone that benefitted from your roller coaster of buying and selling- the broker that placed your trades. They probably earned a commission for transacting your purchases and sales. The trader that executed the trades also may have priced the bid/ask spreads in a way that was advantageous for them. In fact, they might make a profit regardless of the performance of your investment.

Investors are Using Online and Social Media Resources

Social Media Grows in Use and Influence

Cogent Research recently released a study showing that social media is playing an influential role in the decision-making process of individual investors, including those that can be considered high net worth investors. They learned that of the adults online in the US, one out of four are using social media with a specific focus on personal finance and investing.[1] And, it is not limited to people with fewer resources. On the contrary, high net worth adults that are online are using social media for investing purposes at a rate that is higher than the general population! Almost two-thirds of high net worth investors say that the online groups and peer-generated information has an influence over their purchasing behaviors and decisions.

Consider the Source

It is interesting (and scary!) to note that while many investors are seeking out peer groups, they generally are not relying on official sources of information. More than half of high net worth investors have questioned the accuracy of information received from official sources because of what they have heard through social media.[3] Let's think about that. Instead of trusting factual data, many high net worth investors are questioning it and relying on advice presented in social networks. It is very difficult to get reliable and helpful information when you are engaged in a giant game of "telephone".

Indeed, social media networks may provide emotional support in the form of positive feedback on financial decisions. Although getting support is great, social media can contribute to the emotional roller coaster of investing described above. Investors may be relying on a social media source that

contributes to emotional investment decision-making while concurrently reducing their reliance on accurate data from official sources.

The Online World and Social Media

It is worth noting that the social media space is big! Globally, about one billion people are connected to the internet.[4] Smart phones that are data-capable represent over 50% of new phone sales. And, it is believed that more than 400 million people are sharing their experiences and opinions via weekly online exchanges.

The social media network is also a larger and looser network than many individuals' personal networks of trusted friends and colleagues. The average Facebook user has 130 friends, although younger users tend to have more, usually associating with around 1,000 friends and sometimes even significantly above that.[7] While you may not call all 130 (or 1,000!) of these people for coffee, you in fact may find that your network of people on social media sites is quite a bit broader and quite a bit more untested. In fact, a post from a person on a networking site may influence your decision making through their positive or negative feedback and it is this influence that can contribute to the emotional cycle of investing.

Benefits and Cautions about Information Gleaned Online

As always, the internet is an amazing tool with an amazing amount of data out there. The key is to discover how to use the data to learn how to create a framework for improving your finances. Using online and social media may help you learn more about an advisor through client reviews. This can give you some insight into how that advisor works and allow you to evaluate whether their approach appeals to you. Of course, you typically find that testimonials trend to either the high or the low. People rarely report a middle-of-the-road experience. And with primarily high and low experiences to rely on, you may have to discern what role the individual played versus what role the advisor played in the relationship(s) being reported upon. But such reviews are a way to learn about what the service experience was like and where an advisor could provide help. You may find an advisor that seems well-suited to you and be able to research the advisor's background and qualifications.

However, the social media space is not a great place to obtain investing tips! Other social media users' stories can be like the cocktail party story run amok. "I bought a great stock last month and it doubled in value!" There is no vetting of the individual making the claim. There is no monitoring of their history of comments and recommendations. And, there is certainly no regulation of how they claim successes. Anyone can make a claim on a social network that they have an amazing track record. But not *everyone* may make baseless claims online. For example, registered investment advisors may risk liability for what they publish or recommend online. So, the one group you will not usually hear from in a public forum is the group that may actually have the background to evaluate your financial situation and make recommendations for you. Ironic, but for the most part true.

Social Media can be great for making connections with friends, family and colleagues. The internet is a good tool to use to research factual data (not advertisements) and look up an advisor's background information. Also, before you hop on the social media bandwagon, take some time to think about what you need. Do you need help with your financial decisions? It is usually a great idea to avoid getting tips from peers, whether they are someone you see at a party or someone you find online. Instead, you may want to consider seeking an expert's opinion and endeavor to break free from the emotional investing cycle.

Conclusion:

The social media influenced on the purchasing decisions of financial product buyers. It is concluded that the social media made an impact on financial decisions. The investment decisions are affected now a days by the social media. Social media is not only used for personal uses but is now playing a growing role in business and organizations.

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Banking In India: Challenges and Opportunities

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ABSTRACT:

The Indian banking system with one of the largest banking networks in the world, has witnessed a series of reforms over the past few years. Banking today has transformed into a technology intensive and customer friendly model with a focus on convenience. The use oftechnology has brought a revolution in the working style of the banks. However, changing dynamics of banking system also brings new kind of risks.

In this paper an attempt has been made to identify the major challenges and opportunities for the Indian Banking Sector. The challenges discussed in this paper in Indian banking are also the source of great opportunity and they impact not just banks but also the larger ecosystem. This paper is divided in three parts. First part includes the introduction and general scenario of Indian banking industry. The second part consists the recent trends and various challenges faced by Indian banking industry. Third part suggests and concludes that urgent emphasis is required on the Indian banking product and marketing strategies in order to get sustainable competitive edge over the intense competition from nationaland global banks.

Key words: Risk Management, Global Banking,E-Banking, Information Technology,sustainable competitive edge

INTRODUCTION:

In recent time, we have witnessed that the World Economy is passing through some intricate circumstancessuch as bankruptcy of banking & financial institutions, debt crisis in major economies ofthe world and euro zone crisis. The scenario has become very uncertain causing recession in major economies like US and Europe. This poses some serious questions about the survival, growth and maintaining the sustainable development.

However, amidst all this turmoil India's Banking Industry has been amongst the few to maintain resilience. The tempo of development for the Indian banking industry has been remarkable over the past decade. It is evident from the higher pace of credit expansion, expanding profitability and productivity similar to banks in developed markets, lower incidence of non- performing assets and focus on financial inclusion have contributed to making Indian banking vibrant and strong. Indian banks have begun to revise their growth approach and re-evaluate the prospects on hand to keep the economy rolling.India is one of the top 10 economies in the world, where the banking sector has tremendous potential togrow. Banks are now reaching out to the masses with technology to facilitategreater ease of communication, and transactions are carried out through the Internet and mobile devices.

The banking system in India should not only be hassle free but it should be able to meet the new challenges posed by the technology and any other external and internal factors as the Banks are the key participants of any financial system.

OBJECTIVE:

The objective of this paper is to explain the changing banking scenario, to analyze the impact of LPG (Liberalization, Privatization & Globalization), the emerging trends in banking sector and to study the challenges and opportunities of National & Commercial Banks. In addition to this, an attempt is made to understand the significance of banks in India.

METHODOLOGY:

This paper is the outcome of a secondary data on Banking Sector with special reference to Indian context. To complete this, annual reports, various books, journals and periodicals have been consulted, several reports on this particular area have been considered, and web search has also been done.

REVIEW OF LITERATURE:

1. **Kumar (2006)** another path-breaking innovation in the banking sector in recent times isthe emergence of internet banking customer can access his account anywhere even from the comfort of his computer in the house with the added benefit of funds transfer facility. Internet banking is estimated to be even more cost effective for banks as compares to ATMs. Internet banking also provides the customers with value added services like payment of insurance premiums, payment of utility bills, booking of railway tickets etc.
2. **RBI (2001)** with the popularity of PCs, easy access to internet & World Wide Web banks increasingly use internet as a channel for receiving instructions and delivering their products and services to their customers. This form of banking generally referred to as internet banking, although the range of products and services offered by banks vary widely both in their content and sophistication.
3. **Radakrishna et.al. (2007)** BNM defines internet banking as banking products & services offered by banking institutions on the Internet through access devices, including personal computers & other intelligent devices
4. **Avasthi& Sharma (2000-01)** have analyzed in their study that advances in technology are set to change the face of banking business. Technology has transformed the delivery channels by banks in retail banking. It has also impacted the markets of banks. The study also explored the challenges that banking industry and its regulator face.
5. **B. Janki (2002)** analyzed that how technology is affecting the employee's productivity. There is no doubt in India; particularly public sector banks will need to use technology to improve operating efficiency and customer services. The focus on technology will increase like never before to add value to customer services, develop new products, strengthen risk management.

   To sum up the literature review indicates that worldwide the importance of e-banking is emphasized and use of the technology lead to increase the productivity. The emergence of internet banking has made easy access to the customers at large.

HISTORICAL BACKGROUND:

Bank of Hindustan was set up in 1870; it was the earliest Indian Bank. Later, three presidency banks under Presidency Bank's act 1876 i.e. Bank of Calcutta, Bank of Bombay and Bank of Madras were set up, which laid foundation for modern banking in India. In 1921, all presidency banks were amalgamated to form the Imperial Bank of India. Imperial bank carried out limited number of central banking functions prior to establishment of RBI. It engaged in all types of commercial banking business except dealing in foreign exchange.

Reserve Bank of India Act was passed in 1934 & Reserve Bank of India (RBI) was constituted as an apex body without major government ownership. Banking Regulations Act was passed in 1949. This regulation brought RBI under government control. Under the act, RBI got wide ranging powers for supervision & control of banks. The Act also vested licensing powers & the authority to conduct inspections in RBI.

Banking industry is the back bone for growth of any economy. The journey of Indian Banking Industry has faced many waves of economic crisis. Recently, we have seen the economic crisis of US in 2008-09 and now the European crisis. The general scenario of the world economy is very critical. It is the banking rules and regulation framework of India which has prevented it from the worldeconomic crisis.

BANKING SCENARIO IN INDIA:

A bank is a financial institution that provides banking and other financial services to their customers. Banking Industry in India functions under the sunshade of Reserve Bank of India - the regulatory, central bank. Banking Industry mainly consists of Commercial Banks and Co-operative Banks

The commercial banking structure in India consists of: Scheduled Commercial Banks, Unscheduled Bank. Scheduled commercial Banks constitute those banks which have been included in the Second Schedule of Reserve Bank of India (RBI) Act, 1934.

RBI in turn includes only those banks in this schedule which satisfy the criteria laid down vide Section 42 (60) of the Act. Some co-operative banks are scheduled commercial banks although not all co-operative banks are. Being a part of the second schedule confers some benefits to the bank in terms of access to accommodation by RBI during the times of liquidity constraints. At the same time, however, this status also subjects the bank to certain conditions and obligation towards the reserve regulations of RBI. For the purpose of assessment of performance of banks, the Reserve Bank of India categories them as public sector banks, old private sector banks, new private sector banks and foreign banks.

RELATION BETWEEN BANKING & ECONOMIC DEVELOPMENT:

Banking system plays a vital role in the economic development of the country. With the following diagram one could easily understand that the banking system functions as a nerve system of the entire economic system of the country.

In the process of economic development the contribution of banking system is mainly for Capital formation, Creation of money, Strengthen the link between organized & unorganized sector, Provision of long term loans, Helping agricultural & small scale industry, Entrepreneurial development, Regulation of flow of national savings, Maintaining balance of trade, Catalyst in social change and Effective implementation of monetary policy.

RECENT TRENDS IN BANKING:

The growing competition, growing expectations led to increase awareness amongst banks on the role & importance of technology in banking. Banking today has transformed into a technology intensive and customer friendly model with a focus on convenience. Recent trends are as follows:

- **E-Cheques:**E-Chaques which replace the conventional paper cheque. In India Negotiable Instruments Act has already been amended to include truncatedchequeand E-chequeinstruments.
- **Real Time Gross Settlement (RTGS):**RTGS introduced in India since March, 2004 is a system through which electronic instructions can be given by banks to transfer funds from their account to the account of another bank.
- **Electronic Funds Transfer (EFT):**It is system whereby anyone who wants to make payment to another person can approach his bank and make cash payment or give instructions to transfer funds directly from his own account to the bank account of the receiver.
- **Electronic Clearing Service (ECS):**It is a retail payment system that can be used to make bulk payment of a similar nature. It is meant for companies and government department to make and receive large volumes of payment.
- **Automatic Teller Machine (ATM):**It enables the customers to withdraw their money at any time without interacting with a human teller.
- **Point of sale Terminal:**It is a computer terminal that is linked online to the computerized customer information files in a bank & magnetically encoded plastic transaction card that identifies the customer to the computer. During transaction the customer's account debited and the retailers account is credited by the computer for the amount of purchase.
- **Tele Banking:**
  It facilitates the customer to do entire non-cash related banking on telephone. Under this devise Automatic Voice Recorder is used for smaller queries and transactions.

MAJOR CHALLENGES BEFORE INDIAN BANKS:

As banks develop their strategies for giving customers access to their accounts throughvarious advanced services like e-banking, mobile banking and net banking, they should alsoregard this emerging platform as a potential catalyst for generating operational efficienciesand as a vehicle for new revenue sources.

India's banking sector has made rapid strides in reforming and aligning itself to the new competitive business environment. The major challenges faced by banks are:

- **High Transaction Costs:**

A major concern before the banking industry is the high transaction cost of carrying non-performing assets in their books. The growth led to strains in the operational efficiency of banks and the accumulation of non-performing assets (NPA‘s) in their loan portfolios.

- **IT Revolution:**
  The application of IT and E-banking is becoming the order of the day with the banking system heading towards virtual banking.
- **Timely Technological up gradation:**
  Already electronic transfers, clearings, settlements have reduced translation times. To face competition it is necessary for banks to absorb the technology and upgrade their services.
- **Intense Competition:**
  The RBI and Government of India kept banking industry open for the participants of private sector banks and foreign banks and these banks have spearhead the hi-tech revolution.
- **Privacy and safety:**
  Privacy of customer’s information and safety of their savings is one of the topmost priority of bank.This goes a long way in influencing customer behavior in the choice of payment methods.
- **Global Banking:**
  The impact of globalization becomes challenges for the domestic enterprises as they are bound to compete with global players. There are 36 foreign banks operating in India which becomes a major challenge for Nationalized and Private Sector Banks.
- **Financial Inclusion:**Most of the Indian citizens don’t use banking system for their financial requirements. It has become a necessity to create the awareness and importance of banks amongst people.
- **Risk Management System:**Banks need to have in place a fair and differentiated risk based pricing of products and services since capital comes at a cost. Banks put the risk management architecture in place to meet the regulatory requirements without using the risk inputs for taking business decisions. The risk is not properly priced for various products. The most challenging part is the availability, integrity and reliability of data.
- **HR Management:**This is an area where most of our banks, especially the PSBs, are found lacking. In their eagerness to expand their core business they tend to forget the relevance of human expertise which drives their business in a sustainable manner. The complexities of modern banking and the dependence on IT makes it all the more important why the banks should have requisite manpower with right amount of knowledge and experience at appropriate places.
- **Standardization and capacity build-up:**While any development in offering electronic services is welcome, stand-alone systems not only work in silos but also fragment the market to some extent. Hence, as the payments eco-system matures, inter-operability becomes essential, for which standardization in processes and procedures is a pre-requisite. This not only facilitates uniformity in transaction handling but also enables uniform customer experiences.
- **Partnerships with non-banks:** It is imperative that banks also see the potential for synergetic growth by partnering with these non-banks and leveraging on their strengths so as to reap efficiency gains for both the entities. We have seen instances of such partnership, particularly with MNOs acting as BCs. Similar developments should occur in other areas too. A word of caution is, however, essential – banks cannot abdicate their responsibilities towards customers, in

ensuring safe and secure services, particularly in scenarios where a large part of the activities involved in payments are outsourced.

- **Growth of Banking:**TheIndianbanking industry experienced sustained productivity growth, which was driven mainly bytechnological progress. Foreign banks appear to have acted as technologicalinnovators when competition increased, which added to the competitive pressure in the market.
- **Employees Retention:**Long-time banking employees are becoming disenchanted with the industry and are often resistant to perform up to new expectations. The diminishing employeemorale results in decreased revenue. Due to the intrinsically close ties between staff and clients,losing those employees completely can mean the loss of valuable customer relationships.
- **Social and Ethical Aspects:**There are some banks, which proactively undertake the responsibility to bear the social and ethical aspects of banking. This is a challenge for commercial banks to consider theseaspects in their working. Apart from profit maximization, commercial banks are supposed to support those organizations, which have some social concerns.
- **Rural Market:**Banking in India is fairly mature in terms of supply, product range and reach, even though reach in rural India still remains a challenge for the private sector and foreign banks. In terms of quality of assets and capital adequacy, Indian banks are considered to have clean, strong and transparent balance sheets relative to other banks in comparable economies in its region. For example recently, ICICI Bank Ltd. merged the Bank of Rajasthan Ltd. in order to increase its reach in rural market and market share significantly. Recently, SBI has merged State Bank of Indore in 2010.
- **Enhancing Corporate Governance:**Banks are special organizations because their managers have a fiduciary duty to depositors as well as shareholders and thus a solution to the 'principal-agent problem' aimed at maximizing shareholder value is inappropriate .Therefore, the good Corporate Governance of banks requires regulation to balance the interests of depositors and taxpayers with those of the shareholders. Moreover, banks are important participants in the payment and settlement system and as such corporate governance is highly relevant for them.
- **Emerging Challenges for 2015-16:**

1. Deceleration in economic growth impacting expansion of banking sector
2. Maintaining asset quality in the face of growing non-performing assets and restructuring of advances
3. Augmenting capital and maintaining prudential capital
4. Preserving and augment profitability in a stressed environment
5. Implementing financial inclusion & Direct Benefits Transfer
6. Increased competition from both within the banking sector with various banks becoming aggressive
7. Adopting and adapting to technological changes/innovation to meet regulatory norms and tap alternative channels
8. Improving quality of human resources for working efficiently under the latest technological developments
9. Capital mobilization
10. Implementation of Basel III

SUGGESTIONS:

Increase the presence of the bank in multiple geographies in order to increase market share is another tool to combat competitors. Therefore Indian nationalized and private sector banks must spread their wings towards global markets as some of them have already done it.As per the above discussed facts it can be said that the biggest challenge for banking industry is to serve the mass and huge market of India.

To face different challenges the following areas need to be focused:

- To make stringent norms pertaining to bad loans and restructured assets and their resolution Norms to improve asset quality, recovery, liquidity and the balance sheets of banks
- Consolidation and mergers and entry of new playersto bring competition, innovation and productivity. It would also bring economies of scale
- Continuous bank licensing
- Converting some urban co-op. banks into commercial bankscould aid them to operate in mainstream with lower risk.
- Separate licenses for niche areas like wealth management investment banking
- Reforms in corporate debt market, government debt market & money market
- Focus on asset–liability management for banks
- Increased usage of technology in banking as it will help in up gradation, design more e-products; also sustain and scale business
- Focus on financial inclusion/deepening
- Steps to remove structural bottlenecks on credit delivery and free pricing of financial assets
- Transparency, improvement in clearing and settlement practices
- Reforms aimed at creating liquidity and depth for efficient price discovery of banking products
- Bank should reduce the non-productive efforts with the help of technological innovations and improve the process efficiencies.

CONCLUSION:

Indian banks face the challenge ofsustenance with the increased competition and need to develop proactive strategies with focus on product innovation, off-balance sheet activities to increase their income from non-core activity, efficiency in service delivery process, effective riskmanagement etc. and more importantly on customer satisfaction.

It is evident that post liberalization era has spread new colors of growth in India, but simultaneously it has also posed some challenges. This paper discusses the various challenges and opportunities. Banks are striving to combat the competition. The competition from global banks and technological innovation has compelled the banks to rethink their policies and strategies. Different products provided by foreign banks to Indian customers have forced the Indian banks to diversify and upgrade themselves so as to compete and survive in the market.

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A Study of Various Load Balancing Techniques in Cloud Computing and their Challenges

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ABSTRACT

Cloud Computing is an emerging distributed computing paradigm. A framework which enables convenient, on-demand access to network, aiming to share data, calculations and service transparently over a shared pool of scalable network of nodes. Load balancing is one of the main challenges in cloud computing which is required to distribute the dynamic workload across multiple nodes to ensure that no single node is overloaded. It helps in optimal utilization of resources and hence in enhancing the performance of the system. There are few existing scheduling algorithms that can maintain load balancing and provide better approaches through efficient job scheduling and resource allocation techniques as well. It becomes necessary to utilize the available resources efficiently in order to maximum profits with optimized load balancing algorithms. This paper discusses some of the load balancing algorithms in cloud computing and the various challenges faced by the organizations using them.

Keywords: Distributed computing, load balancing, algorithms, scheduling, dynamic

1. Introduction:

A Cloud computing is the paradigm of large scale distributed computing.Cloud computing provides the scalable IT resources such as applications and services, as well as the infrastructure on which they operate, over the Internet, on pay-per-use basis to adjust the capacity quickly and easily. Cloud Services allows individuals and businesses to use software and hardware that are managed by third party at remote locations. It helps to accommodate changes in demand and helps any organization in avoiding the capital costs of software and hardware [2] [3]. Thus, Cloud Computing is a framework for enabling a suitable, on-demand network access to a shared pool of computing resources (e.g. networks, servers, storage, applications, and services).These resources can be provisioned and de-provisioned quickly with minimal management effort or service providerinteraction. This further helps in promoting high availability[4]. Due to the exponential growth of cloud computing, it has been widely adopted by the industry and there is a rapid expansion in data-centers. The distributed computers provide on-demand services. Services may be of software resources (e.g. Software as a Service, SaaS) or physical resources (e.g. Platform as a Service, PaaS) or hardware/infrastructure (e.g. Hardware as a Service, HaaS or Infrastructure as a Service, IaaS). Amazon EC2 (Amazon Elastic Compute Cloud) is an example of cloud computing services [5].

The NIST defines cloud computing as:

"A model for enabling convenient, on-demand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction" [6].

Cloud computing is still in evolving stage faces various problems. Some of the problems are

- Ensuring proper access control (authentication, authorization, and auditing)
- Network level migration, so that it requires minimum cost and time to move a job
- To provide proper security to the data in transit and to the data at rest.
- Data availability issues in cloud

- Data lineage, data provenance and inadvertent disclosure of sensitive information is possible
- While the most prevalent problem in Cloud computing is the problem of load balancing.

1.1 Cloud Computing Architecture

There are basically three layers that constitutes to the Cloud Computing Architecture. It provides three basic services viz. SaaS, PaaS and IaaS.

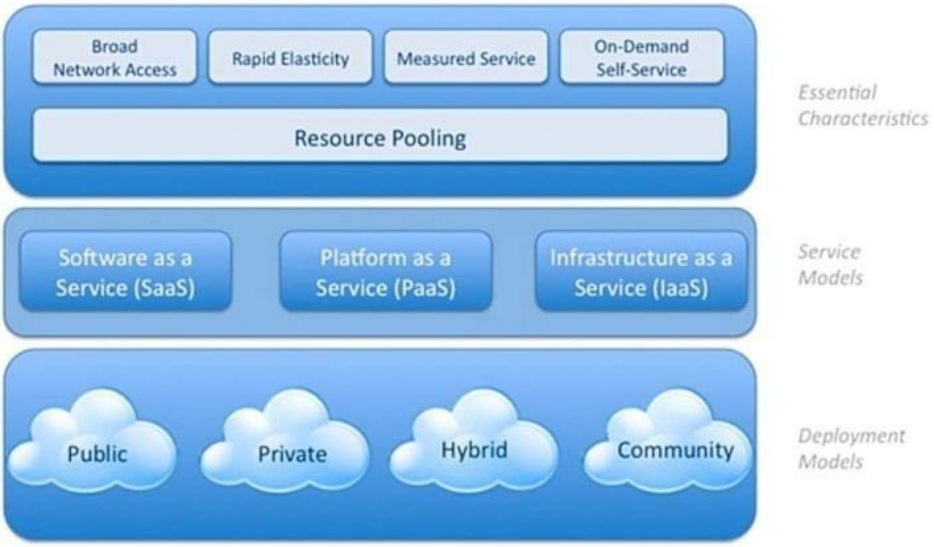


Figure 1 : Cloud Computing Architecture

2. Virtualization and Binding

Resource virtualization is at the heart of most cloud architectures. The concept of virtualization allows an abstract, logical view on the physical resources and includes servers, data stores, networks and software. The basic idea is to pool physical resources and manage them as a whole. Individual requests can then be served as required from these resource pools. For example, it is possible to dynamically generate a certain platform for a specific application at the very moment when it is needed. Instead of a real machine, a *virtual machine* is used [7]. There are two types of virtualizations:

a) Full Virtualization

In full virtualization the entire installation of one system is done on other system. Due to this all the software that is present in actual server will also be available in virtual system. This also helps in sharing of computer system among multiple users and emulating hardware located on different systems.

b) Para Virtualization

In Para Virtualization multiple operating systems are allowed to run on a single system by using system resources like memory and the processor. VMware software helps in achieving Para Virtualization. Here complete services are not fully available, but partial services are provided. Para virtualization helps in Disaster recovery, migration and capacity management.

3. Load Balancing

Load Balancing is a method to distribute workload across one or more servers, network interfaces, hard drives or other computing resources. Typical datacenter implementations rely on large, powerful computing hardware and network infrastructure, which are subject to the usual risks associated with any physical device, including hardware failure, power and/or network interruptions, and resource limitations in times of high demand. Load balancing in the cloud

differs from classical thinking on load-balancing architecture and implementation by using commodity servers to perform the load balancing.

Load balancing is used to make sure that none of your existing resources are idle while others are being utilized. To balance load distribution, you can migrate the load from the source nodes (which have surplus workload) to the comparatively lightly loaded destination nodes. This provides for new opportunities and economies-of-scale, as well as presenting its own unique set of challenges. (Mishra, et al., 2012) [8]

There are mainly two categories of load balancing algorithms:

3.1 Static

In static algorithm the network traffic is divided evenly among the servers or nodes. Static algorithm requires having prior knowledge of system resources, so that the decision of shifting of the load does not depend on the current state of the system. Static algorithm suits system which has low variation in load.

3.2 Dynamic

In dynamic algorithm the server which is either idle or having least load in the whole network or system is searched and preferred for assigning load. Here current state of the system is used to make decisions to manage the load. But for this real time communication with network is needed which can increase the traffic in the system.

4. Load Balancing Algorithms

We classified load balancing algorithm in two main types that are Static load balancing and Dynamic load balancing.

Round Robin (RR): In 2009, B Sotomayor et al [9] introduced a static well-known load balancing technique called Round Robin, in which all processes are divided amid all available, processors. The allocation order of processes is maintained locally which is independent of the allocation from the remote processor. In this technique, the request is sent to the node having least number of connections, and because of this at some point of time, some node may be heavily loaded and other remain idle [9]. This problem was solved by Central Load Balancing Decision Model (CLBDM)

Equally Spread Current Execution Algorithm: Equally spread current execution algorithm [10] process handle withpriorities. It distributes the load randomly by checking the size and transfers the load to that virtual machine which is lightlyloaded or handles that task easily and takes less processing, and gives maximize throughput. It is spread spectrum technique inwhich the load balancer spread the load of the job in-hand into multiple virtual machines.

Throttled Load Balancing Algorithm: Throttled algorithm [10] is completely based on virtual machine. In this the load balancer searches the right virtual machine which can execute the load easily and perform the operationswhich is given by the client or user. In this algorithm the client first requests the load balancer to find a suitable VirtualMachine to perform the required operation.

Biased Random Sampling:M. Randles et al. [12] investigated a distributed and scalable load balancing approach that uses random sampling of the system domain to achieve self-organization thus balancing the load across all nodes of the system. Here a virtual graph is constructed, with the connectivity of each node (a server is treated as a node) representing the load on the server. Each server is symbolized as a node in the graph, with each in degree directed to the free resources of the server. The load balancing scheme used here is fully decentralized, thus making it apt for large network systems like that in a cloud. The performance is degraded with an increase in population diversity.

Load Balancing Min-Min: In 2010, S C. Wang et al. [13] presented a dynamic load balancing algorithm called Load Balancing Min-Min (LBMM) technique which is based on three level frameworks. It begins with a set of all unassigned tasks. First, minimum completion time for all tasks isfound. Then among these minimum times the minimum value is selected which is the minimum time among all the taskson any resources. Then according to that minimum time, the task is scheduled on the corresponding machine. Then theexecution time for all other tasks is updated on that machine by adding the execution time of the assigned task to theexecution times of other tasks on that machine and assigned task is removed from the list of the tasks that are to beassigned to the machines. Then again the same procedure is followed until all the tasks are assigned on the resources.But this approach has a major drawback that it can lead to starvation [14].

Map Reduced Based Entity Resolution Load Balancing: In 2011, L. Colb et al [15] introduced the Map Reduced based Entity Resolution load balancing technique which is based on large datasets. In this technique, two main tasks are done: Map task and Reduce task which the author has described. For mapping task, the PART method is executed where the request entity is partitioned into parts. And then COMP method is used to compare the parts and finally similar entities are grouped by GROUP method and by using Reduce task. Map task reads the entities in parallel and process them, so that overloading of the task is reduced. In 2011, J Hu et al. [16] introduced a static scheduling strategy of load balancing on virtual machine resource. This technique considers the historical data and also the current state of system. Here, central scheduler and resource monitor is used. The scheduling controller checks the availability of resources to perform a task and assigns the same. Resource availability details are collected by resource monitor.

Ant Colony Optimization: In 2012, K. Nishant et al [17] introduced a static load balancing technique called Ant Colony Optimization. In this technique, an ant starts the movement as the request is initiated. This technique uses the Ants behavior to collect information of cloud node to assign task to the particular node. In this technique, once the request is initiated, the ant and the pheromone starts the forward movement in the pathway from the “head” node. The ant moves in forward direction from an overloaded node looking for next node to check whether it is an overloaded node or not. Now if ant find under loaded node still it move in forward direction in the path. And if it finds the overloaded node then it starts the backward movement to the last under loaded node it found previously. If ant finds the target node, it will commit suicide so that unnecessary backward movement is prevented.

Index Name Server Dynamic Load Balancing: In 2012, T. Yu Wu et al. [18] introduced a dynamic load balancing technique called Index Name Server to minimize the data duplication and redundancy in system. This technique works on integration of de duplication and access point optimization. To calculate optimum selection point some parameter are defined: hash code of data block to be downloaded, position of server having target block of data, transition quality and maximum bandwidth. Another calculation parameter to find weather connection can handle additional node or is at busy level B(a), B(b) or B(c). B(a) denote connection is very busy to handle new connection , B(b) denotes connection is not busy and B(c) denotes connection is limited and additional study needed to know more about connection.

Stochastic Hill Climbing Load Balancing: In 2012, B. Mondal et al [19] have proposed a load balancing technique called Stochastic Hill Climbing based on soft computing for solving the optimization problem. This technique solves the problem with high probability. It is a simple loop moving in direction of increasing value which is uphill. And this make minor change in to original assignment according to some criteria designed. It contains two main criteria one is

candidate generator to set possible successor and the other is evaluation criteria which ranks each valid solution. This leads to improved solution.

Honey Bee Behavior - Load Balancing [HBB-LB]: In 2013, D. Babu et al [20] proposed a Honey Bee Behavior inspired Load Balancing [HBB-LB] technique which helps to achieve even load balancing across virtual machine to maximize throughput. It considers the priority of task waiting in queue for execution in virtual machines. After that work load on VM calculated decides weather the system is overloaded, under loaded or balanced. And based on this VMs are grouped. New according to load on VM the task is scheduled on VMs. Task which is removed earlier. To find the correct low loaded VM for current task, tasks which are removed earlier from over loaded VM are helpful. Forager bee is used as a Scout bee in the next steps.

5. Challenges for Load Balancing Algorithms:

There are some qualitative metrics that can be improved for better load balancing in cloud computing [21][22].

Throughput: It is the total number of tasks that have completed execution for a given scale of time. It is required to have high through put for better performance of the system.

Associated Overhead: It describes the amount of overhead during the implementation of the load balancing algorithm. It is a composition of movement of tasks, inter process communication and inter processor. For load balancing technique to work properly, minimum overhead should be there.

Fault tolerant: We can define it as the ability to perform load balancing by the appropriate algorithm without arbitrary link or node failure. Every load balancing algorithm should have good fault tolerance approach.

Migration time: It is the amount of time for a process to be transferred from one system node to another node for execution. For better performance of the system this time should be always less.

Response time: In Distributed system, it is the time taken by a particular load balancing technique to respond. This time should be minimized for better performance.

Resource Utilization: It is the parameter which gives the information within which extant the resource is utilized. For efficient load balancing in system, optimum resource should be utilized.

Scalability: It is the ability of load balancing algorithm for a system with any finite number of processor and machines. This parameter can be improved for better system performance.

Performance: It is the overall efficiency of the system. If all the parameters are improved then the overall system performance can be improved.

6. Conclusion and Future Research

In this paper, the researcher has surveyed various load balancing techniques for cloud computing. I would also like to highlight the changes happening in the field of load balancing algorithms across the world. Distributing load dynamically among the servers and nodes to utilize maximum available resources and improving the performance of the system is the main objective of all the load balancing algorithms.

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Impact of Social Networking Websites on Academic Performance of Students

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ABSTRACT

Increased availability of Internet Enabled handheld devices such as Smart Phones and Tablets have meticulously increased access and use of Internet by students of all age groups. The use of Social Networking Websites(SNWs) is dramatically increased due to the facility of easy access of Internet on these handheld gadgets. It's a well known fact that due to enhancement of Information and Communication Technology (ICT), SNWs have gained wide acceptability and become the most frequently used mean of communication by students. The use of this hodgepodge of SNWs has varied effects on the user's life, both, positive and negative! This research paper is an endeavor to study and analyze the impact of using SNWs on academic performance of netizen students studying in Pune City.

Keywords— Social Networking Websites, Netizen, Academic Performance

I. INTRODUCTION

Information and Communication Technology (ICT) has several features and effective tools. Speedy contact and leisure are the most vital traits of the ICT. Now a days, accessing Social Networking Websites (SNWs) on smart-phones and tablets has become very popular. Of course, SNWs are still accessed on personal computers. It is not just a necessity but has become fashion of maintaining at least one profile on a SNWs. Whilst number of such websites, facebook.com and instagram,com are two important SNWs used by netizens. Especially, students are seen consistently working on it. But, does this fashion of using SNWs really helps users to gain their desired goals? It is still a question that needs to be answered nicely and properly. The researchers decided and carried out a genuine research on this contemporary custom of using SNWs for communication and also to evaluate whether it truly helps the students studying at different levels or not? It is primarily found out that the students mostly use the SNWs for entertainment and communication purpose. Let's try to understand what all results this short study has shown and helped the researchers to author this research paper. It is absolutely the need of the hour to conduct a research project at National level to understand the same effects and finding out potentials measures to reduce or at least minimize the bad effects of them, if any and also promoting good effects, for success of students.

II. REVIEW OF LITERATURE

In this section, the researchers can also imagine that some of Brin's predictions might come to play. Already, youthful marijuana use has become a relatively unimportant issue in U.S. politics. But there is an important point here: Most of the relatively embarrassing revelations about the youthful behavior of politicians came to light only through a massive effort by reporters after the person was already established as a national figure. That level of exposure, at earlier rungs in the civic ladder, might have a drastic constricting effect. Many people may be simply "filtered out" very early in their career, before they are important enough to embarrass specifically. Post hoc revelations by investigative reporters certainly do harm to some political and civic leaders, but contemporaneous filtering at low levels made possible by these sites may dramatically shrink the pipeline or drastically

alter the characteristics of those who make it through, Firms may refrain from hiring students whose book preferences are outside a band of acceptability.

Will a boss assume that a job applicant whose favorite books are 1984 and Brave New World is rebellious and not worth the risk of hiring? Will a parent's political preference field in his or her college profile be brought up in school board elections? Will this mean that only those whose expressed preferences are acceptably bland can rise through corporate or civic ranks? Another important consequence has been an explosion in what I call "grassroots surveillance" or peer monitoring, which has undergone a profound change because of these sites.

Young people (and older people for that matter) have always been interested in what each other are doing, reading, listening to, fighting with, dating, and so on. However, much of that information is now available with the click of a mouse, in a searchable, archived, prominent format, Social networking the reviews may contain several types of electronic evidence, including profile pages, posts, private e-mail messages, chats, photographs, and video. Profiles pages, posts, messages, and chats sometimes contain distinctive characteristics that allow for authentication. This evidence must be in the specific communication at issue and distinctive enough to show who authored the communication. If the evidence does not contain distinctive characteristics, the court will require additional foundational evidence for authentication, such as testimony of a witness with knowledge or testimony from a computer expert. Proper foundational evidence will help the proponent of the evidence properly authenticate evidence from social networking sites, due to the limited amount of existing research on SNWs, this study was developed in a two-step approach which involved incorporating early qualitative findings into the research design in the latter stages, a related but somewhat different division: between social and non-social uses, between the expressive Internet and the instrumental Internet.

By the expressive Internet, means the practice and performance of technologically mediated socialite, gender remains a strong pivotal point. Although access and total amounts of use have converged between genders, strong divergences in modalities of use, in self-perceived and real skill levels, and in attitudes remain, there have already been many cases reported in the media about negative consequences stemming from SNWs posts, ranging from denied diplomas to lost jobs, there have already been many cases reported in the media about negative consequences stemming from SNS posts, ranging from denied diplomas to lost jobs, the tendency of an individual to join a community is influenced not just by the number of friends he or she has within the community, but also crucially by how those friends are connected to one another.

The researchers use decision-tree techniques to identify the most significant structural determinants of these properties. The researchers also develop a novel methodology for measuring movement of individuals between communities, and show how such movements are closely aligned with changes in the topics of interest within the communities; the crucial point that the researchers are focusing on networks where the members have explicitly identified themselves as belonging to particular groups or communities — the researchers are thus not seeking to solve the unsupervised graph clustering problem of inferring "community structures" in a network, since for us the relevant communities have been identified by the members themselves for better usage of SNWs in the field of education and to improve academic performance of students,

III. RESEARCH DESIGN AND METHODOLOGY

A. Research Design:

This research study will use Cross-Sectional Research Design for the Students likes SSC Students, HSC Student, Graduation Students, Post-Graduation Student & All Education Societies. This research designed for the student of Pune city only under Descriptive research design category which comes under Conclusive Research.

It is becoming an increasingly popular trend to have a profile on facebook, instagram, twitter etc.

According to the collected information, we got the result that the output or the reviews of students are not the same everywhere regarding the impact of SNWs on their academic performance. Some are having positive approach towards the SNWs but many of them are having negative responses. This is

because usually students of small age group get more addicted to these SNWs easily and then they lack interest in the studies or other activities.

But it's not the same with other students, the one who use it in a proper way they aren't addicted to this applications and they won't suffer from any physical or mental disorder. As the data or information gathered from the students we can make a conclusion that its result cannot be static because the effect keeps on changing from person to person.

B. ***Methodology:***

B.1 SAMPLING DESIGN

Population: About 1 lakh (Pune city)
Sample frame & unit: Youth
Sample size: 354
Sampling Method: Simple random Deliberate / Purposive
Research Type: Exploratory research
Area Covered: Pune City

B.2 OBJECTIVES

Following are the objectives:
1. To evaluate the impact of SNWs on academic performance of students.
2. To know whether students are addicted to use SNWs.

B.3 HYPOTHESIS

Following are the hypothesis:
H_1: There is a positive impact of SNWs on academic performance of students.
H_2: Students are addicted to use SNWs.

IV. DATA PRESENTATION, ANALYSIS AND INTERPRETATION

A. Data Presentation and Analysis:

A.1 Gender-wise Respondents

Gender	No. of Respondents	Percentage
Male	192	54%
Female	162	46%
Total	**354**	**100%**

TABLE A.1: GENDER-WISE RESPONDENTS

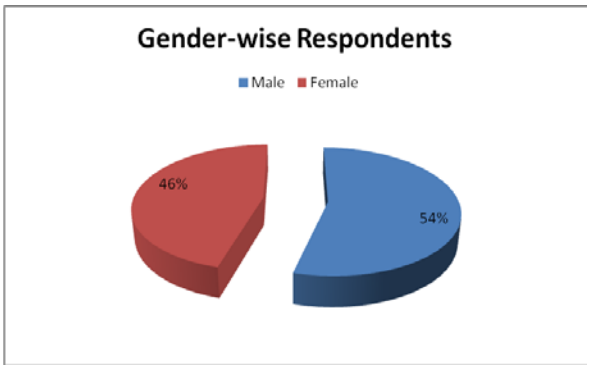


Chart A.1: Gender-wise Respondents

A.1 : INTERPRETATION

From Table No. A.1 and Chart. No. A.1 it is observed that there are total 192 (54%) male respondents and 162 (46%) female respondents. Therefore, it can be interpreted that there are more male users who use SNWs as compared to female users. The access to female users of SNWs is less than male users.

A.2 Age-group-wise Respondents

Age-group	No. of Respondents	Percentage
16-18	65	18%
18-20	73	21%
20-22	102	29%
22-Above	114	32%
Total	**354**	**100%**

TABLE A.1: AGE-GROUP-WISE RESPONDENTS

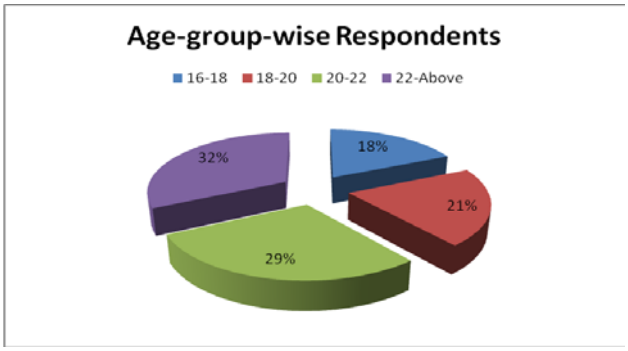


Chart A.2: Age-group-wise Respondents

A.2 : INTERPRETATION

From Table No. A.2 and Chart. No. A.2 it is observed that there are total 65 (18%) respondents belonging to age-group of 16-18, 73 (21%) respondents belonging to age-group of 18-20, 102 (29%) respondents belonging to age-group of 20-22 and 114 (32%) respondents belonging to age-group of 22 and above.

The age-group of 22 and above is the most frequently using age group of SNWs and the age-group of 16-18 is the age-group that uses SNWs the least. Still there is not a huge difference seen/observed.

A.3 Education Qualification-Wise Respondents

Education Qualification	No. of Respondents	Percentage
S.S.C.	21	6%
H.S.C.	36	10%
Undergraduate	119	34%
Post-Graduate	178	50%
Total	**354**	**100%**

TABLE A.3: EDUCATION QUALIFICATION-WISE RESPONDENTS

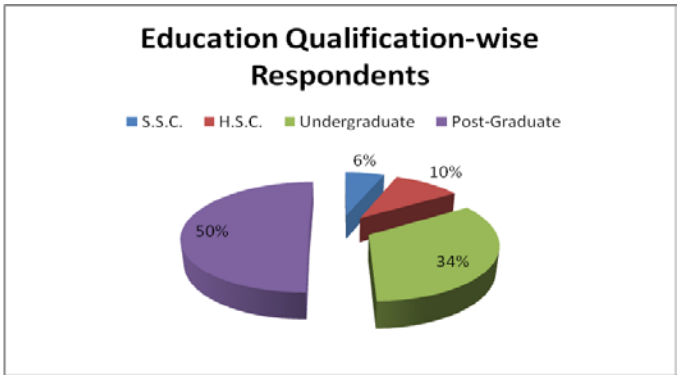


Chart A.3: Education Qualification-wise Respondents

A.3 : INTERPRETATION

From Table No. A.3 and Chart. No. A.3 it is observed that there are total 21 (6%) respondents who are S.S.C., 36 (10%) respondents who are H.S.C., 119 (34%) respondents who are Undergraduates and 178 (50%) respondents who are Post-graduates.

The SNWs are mostly used by Post-graduate respondents and respondents who are S.S.C. are the least users of SNWs.

A.4 Most Popular SNW among Students

Name of SNW	Favorite	Favorite%
Facebook.com	331	94.00%
Instagram.com	11	3.00%
Twitter.com	7	2.00%
Google+	5	1.00%
Total	**354**	**100%**

TABLE A.4: MOST POPULAR SNW AMONG STUDENTS

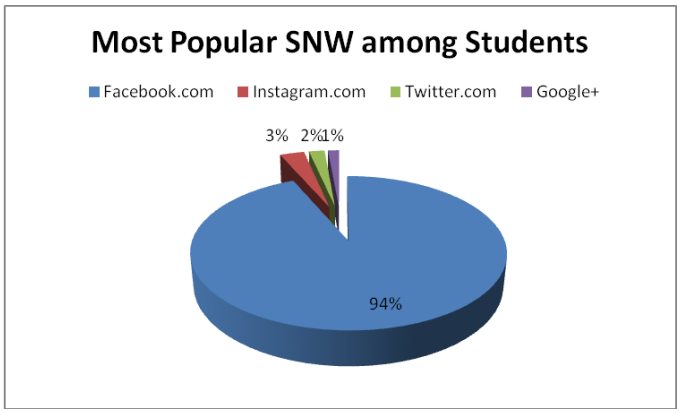


Chart A.4: Most Popular SNW among Students

A.4 : INTERPRETATION

From Table No. A.4 and Chart. No. A.4 it is observed that there are total 331 (94%) respondents who said that Facebook.com is their most favorite SNW whereas only 5 (1%) said Google+ is their favourite SNW.

It means the most popular SNW is Facebook.com whereas the least popular is Google+ among students of Pune city.

B. ***Hypothesis Testing***

H_1: There is a positive impact of SNWs on academic performance of students.

Type of Impact	Impact
Negative	27.00%
Positive	33.00%
Mixture of both	27.00%
Not aware	13.00%
Total	**100%**

TABLE B.1: IMPACT OF SNWS

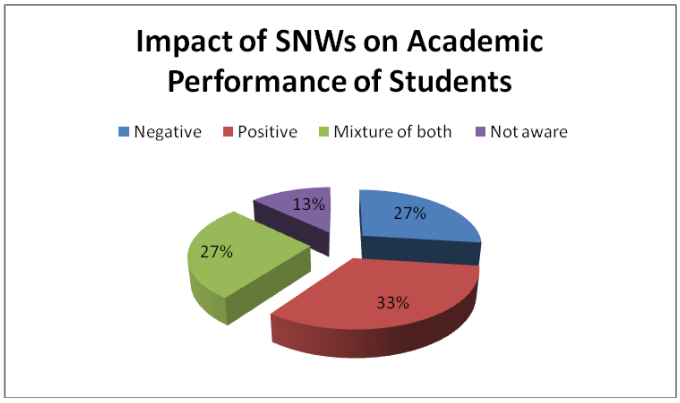


Chart B.1: Impact of SNWs on Academic Performance of Students

The first hypothesis of the research is "**There is a positive impact of SNWs on academic performance of students**".

H0 Null Hypothesis : 50% or less students have agreed that there is a negative (not positive) impact of SNWs on their academic performance (H0: p<=0.50)
H1 Alternate Hypothesis : >50% students have agreed to have a clearly positive impact of SNWs on their academic performance (H1: p>0.50)

This hypothesis has been tested by using the awareness of impact of SNWs on students' academic performance. To study this, the parameters such as student's age, gender and education qualification were considered. It is seen the majority of the students (33%) are clearly said that there is a positive impact of SNWs on their academic performance.
However,

Respondents	Sample Size	Proportion who said 'Yes'	Standard Error	z-statistics
Students	354	0.33	1.1755758	1.631

TABLE B.2: HYPOTHESIS 1 TESTING

As the sample size is >=30, therefore normal approximation is satisfied. In this case, Z-test and as one proportion is involved. Z statistics of awareness of professional networking is 1.631 which is <1.64, hence accept null hypothesis and reject alternate hypothesis both at 5% level of significance. Thus, it is seen that there is a negative impact of SNWs on academic performance of students and hence the **hypothesis of the study is rejected**.

H_2: Students are addicted to use SNWs.
The second hypothesis of the study is "**Students are addicted to use SNWs**".
H0 Null Hypothesis : 95% or more students feel they are addicted to use SNWs.
(H0: p>=0.95)
H1 Alternate Hypothesis : <95% feel said they are addicted to use SNWs.
(H1: p<0.95)

This hypothesis has been tested by using number of students agreed that they are addicted to use SNWs. To study this, the parameters such as citizen's age, gender and education qualification were considered.

Respondents	Sample Size	Proportion accepted they are addicted to use SNWs	Standard Error	z-statistics
Students	354	97.89	1.1755758	0.7424869

TABLE B.3: HYPOTHESIS 2 TESTING

As the sample size is >=30, therefore normal approximation is satisfied. In this case, Z-test and as one proportion is involved. Z statistics of accepted they are addicted to use SNWs is 0.7424869 which is <1.64, hence accept null hypothesis at 5% level of significance. Thus, it is seen that "Students feel that they are addicted to use SNWs" and hence the **hypothesis of the study is accepted**.

V. FINDINGS AND SUGGESTIONS

A. *Findings*

It is learned from the analysis of data and interpretations that;

1. There are total 192 (54%) male respondents and 162 (46%) female respondents; means, there are more male users who use SNWs as compared to female users.
2. The access to female users of SNWs is less than male users.
3. The age-group of 22 and above is the most frequent and avid age group of SNWs and the age-group of 16-18 is the age-group that uses SNWs the least.
4. The SNWs are mostly used by Post-graduate respondents and respondents who are S.S.C. are the least users of SNWs
5. More than 50% students are negatively impacted by using SNWs but still there seems to have little positive impact on academic performance of students, such as speedy solution to queries, wide sharing of data etc.
6. Students are addicted to use SNWs.
7. The most popular SNW is 'Facebook.com' and the least popular is 'Google+'.

B. *Suggestions*

1. Students must be self-disciplinary and smart to use the SNWs so that they can save their most valuable time.
2. It is significantly recommended that family members and friends must guide time-to-time to students so that there usage of these SNWs is minimal and studies are improved.
3. Colleges and educational institutes must regularize unnecessary excessive usage of SNWs by their students.
4. This SNWs must be used for constructive academic activities such as research, knowledge sharing in the form of text, notes, audio-visual academic contents etc. and the usage of SNWs should be positively promoted for betterment of the future generation of responsible citizens of the Nation.

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Next Generation Network: Increase 4G/LTE Speeds

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ABSTRACT

This paper explores the concept of increase in the high performance of all networking devices over the networks. The main aim of this paper is to study an independent platform through which one can access services such as 4G and can use the network. The principle idea is to have seamless communication; people can be connected anywhere and anytime. 4G mobile technology is the next step in this direction. 4G is the next generation of wireless networks that will totally replace 3G networks. It is supposed to provide its customers with better speed and all IP based multimedia services. 4G is all about an integrated, global network that will be able to provide a comprehensive IP solution where voice, data and streamed multimedia can be given to users on an "Anytime, Anywhere" basis. At present we have many technologies each capable of performing functions like supporting voice traffic using voice over IP (VoIP), broadband data access in mobile environment etc., but there is a great need of deploying such technologies that can integrate all these systems into a single unified system. 4G presents a solution of this problem as it is all about seamlessly integrating the terminals, networks and applications.

Keyword- 4G, 3G, WIFI, GPRS, GPS, Cellular Network

Introduction:

First things first, the "G" stands for a generation of mobile technology, installed in phones and on cellular networks. Each "G" generally requires you to get a new phone, and for networks to make expensive upgrades. The first two were analog cell phones (1G) and digital phones (2G). Then it got complicated. Third-generation mobile networks, or 3G, came to the U.S. in 2003. With minimum consistent Internet speeds of 144Kbps, 3G was supposed to bring "mobile broadband." There are now so many varieties of 3G, though, that a "3G" connection can get you Internet speeds anywhere from 400Kbps to more than ten times that. New generations usually bring new base technologies, more network capacity for more data per user, and the potential for better voice quality, too.

4G phones are supposed to be even faster, but that's not always the case. There are so many technologies called "4G," and so many ways to implement them, that the term is almost meaningless. The International Telecommunications Union, a standards body, tried to issue requirements to call a network 4G but they were ignored by carriers, and eventually the ITU backed down. 4G technologies include HSPA+ 21/42, WiMAX, and LTE (although some consider LTE the only true 4G of that bunch, and some people say none of them are fast enough to qualify.) There are many different ways to implement LTE, too, so you can't assume all LTE speeds are the same. Carriers with more available radio spectrum for LTE can typically run faster networks than carriers with less spectrum, for instance. This confusion is why we run our annual Fastest Mobile Networks story, which tests 3G and 4G networks in 30 cities nationwide. In this year's tests, we generally found that on speed alone AT&T's 4G LTE network was the fastest, followed by T-Mobile LTE, Verizon LTE, T-Mobile HSPA+, Sprint LTE, AT&T HSPA, Verizon 3G and finally Sprint 3G. As Sprint ramps up its faster "Spark" LTE network, we expect its LTE speeds to rise to competitive levels. [1] The term 4G is used broadly to include several types of broadband wireless access communication systems, not only cellular telephone systems. While neither standards bodies nor carriers have concretely defined or

agreed upon what exactly 4G will be, fourth generation networks are likely to use a combination of WiMAX and Wi-Fi technologies [2]. With 4G, a range of new services and models will be available. These services and models need to be further examined for their interface with the design of 4Gbrought to its users.

Series of mobile generations and their features

Technology	1G	2G	3G	4G
Design Began	1970	1980	1990	2000
Implementation	1984	1981	2002	2010
Services	Analog Voice	Digital Voice	Higher Capacity, Data Broadband up to 2 MBPS	Completely IP Based, Speed up to hundred MBs
Standard	NMT,AMPS, HI cap, CDPD, TACS, ETACS	GSM, iDEN, D-MPS	WCDMA, CDMA 2000	Single Standard
Data Bandwidth	1.9 kbps	14.4 kbps	2 Mbps	200 Mbps
Multiplexing	FDMA	TDMA, CDMA	CDMA	CDMA
Core Network	PSTN	PSTN	PSTN Network	Internet

Currently, advertised 4G is really just late-stage 3G. The two formats designated by the International Telecommunication Union (ITU) as "true 4G technologies" are:

- LTE Advanced (Long Term Evolution Advanced)
- WiMAX Release 2

There aren't any large-scale deployments of either of these. However, their predecessors — LTE and WiMAX — are currently available.

As the wireless companies advertise it, 4G consists of three different technologies:

- HSPA+ — This is more like an upgrade to regular 3G. HSPA+ offers faster speeds, but that take advantage of the same infrastructure. The first HSPA+ deployments began in 2008, and are now widely available throughout the world. T-Mobile's "4G" network in the U.S. is HSPA+. Likewise, the first stage in AT&T's 4G roll-out includes HSPA+.
- LTE — LTE, or Long Term Evolution, doesn't fully comply with 4G requirements. But it is what most people consider 4G. This is the system being adopted by Verizon, Metro PCS and AT&T in the U.S. Most European carriers have also committed to LTE. It is upgradable to LTE Advanced — so once that kicks in, it will be easy to upgrade an LTE phone into full-on 4G. Verizon started deploying its LTE network in December 2010. AT&T has announced it will start rolling out 4G LTE the second half of 2011. AT&T has a HSPA+ deployment, which it will use as a backup to LTE. Both AT&T and Verizon expect to have the bulk of their LTE deployments in place by the end of 2013.
- WiMAX — This is what Sprint, Nextel and Clear wire are using in the U.S. It's also the dominant service in Canada. Sprint's 4G network combines the Clear wire 4G data network with Sprint's 3G voice network.

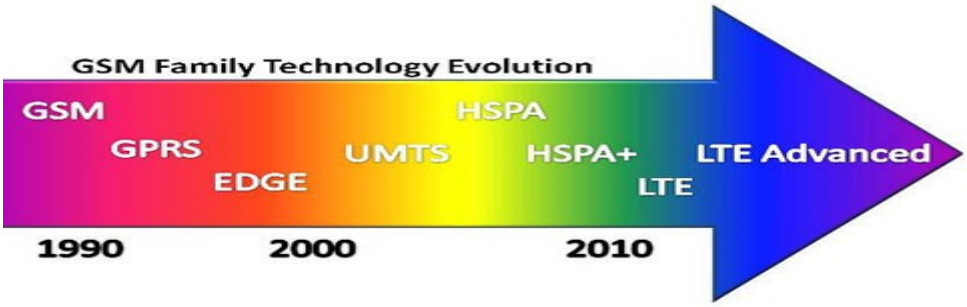


Fig.1.GSM Family Technology Evolution.

Previous generation of technology:

1.First generation:

The process began with the designs in the 1970s that have become known as 1G. Almost all of the systems from this generation were analog systems where voice was considered to be the main traffic. The first generation wireless standards used plain TDMA and FDMA. These systems could often be listened to by third parties. Some of the standards are NMT, AMPS, Hicap, CDPD, Mobitex, Data Tac, TACS and ETACS.

2.The 2G (second generation):

Systems designed in the 1980s were still used mainly for voice applications but were based on digital technology, including digital signal processing techniques. These 2G systems provided circuit switched data communication services at a low speed [3]. All the standards belonging to this generation were commercial centric and they were digital in form. (GSM, CDMA One, D-AMPS) are the first digital cellular systems launched early 1990s, offering improved sound quality, better security and higher total capacity. GSM supports circuit-switched data (CSD), allowing users to place dial-up data calls digitally, so that the network's switching station receives actual ones and zeroes rather than the screech of an analog modem.

3G (Third generation):

To meet the growing demands in network capacity, rates required for high speed data transfer and multimedia applications, 3G standards started evolving. The systems in this standard are essentially a linear enhancement of 2G systems. They are based on two parallel backbone infrastructures, one consisting of circuit switched nodes, and one of packet oriented nodes. The third generation (3G) has been launched in several parts of the world, but the success story of 2G is hard to repeat.

4G (Fourth generation):

Refers to the fourth generation of mobile phone communication standards. LTE and WiMAX are marketed as parts of this generation, even though they fall short of the actual standard. The ITI has taken ownership of 4G, bundling into a specification known as IMT-Advanced. The document calls for 4G technologies to deliver downlink speeds of 1Gbps when stationary and 100Mbps when mobile, roughly 500-fold and 250-fold increase over IMT-2000 respectively. Unfortunately, those specs are so aggressive that no commercialized standard currently meets them. Historically, WiMAX and Long-Term Evolution (LTE), the standard generally accepted to succeed both CDMA2000 and GSM, have been marketed and labeled as "4G technologies," but that's only partially true: they both make use of a newer, extremely efficient multiplexing scheme (OFDMA, as opposed to the older CDMA or TDMA), however, WiMAX tops at around 40Mbps and LTE at around 100Mbps theoretical speed. Practical, real-world commercial networks using WiMAX and LTE range between 4Mbps and 30Mbps. Even though the speed of WiMAX and LTE is well short of IMT- Advance's standard, they're very different than 3G

networks and carriers around the world refer to them as "4G". Updates to these standards -- WiMAX 2 and LTE-Advanced, respectively -- will increase through put further, but neither has been finalized yet.

Features of Fourth Generation Technology:

There are several reasons which are sufficient to answer a simple question- why do we need to adopt 4G technology? Below are some of the features of 4G which make it an "above all" technology.

A. High performance

Industry experts say that users will not be able to take advantages of rich multimedia content across wireless networks with 3G. In contrast to this 4G will feature extremely high quality video of quality comparable to HD (high definition) TV. Wireless downloads at speeds reaching 100 Mbps, i.e. 50 times of 3G, are possible with 4G.

Interoperability and easy roaming

Multiple standards of 3G make it difficult to roam and interoperate across various networks, whereas 4G provides a global standard that provides global mobility. Various heterogeneous wireless access networks typically differ in terms of coverage, data rate, latency, and loss rate.

Therefore, each of them is practically designed to support a different set of specific services and devices, 4G will encompass various types of terminals, which may have to provide common services independently of their capabilities. This concept is referred to as service personalization.

Possibility to increase the Speed of 4G Network:

LTE, usually marketed as 4G LTE by the broad media, is the newest wireless connectivity system that sets to push mobile speeds to another physical limit, one which will guarantee ideal connection times and great browsing experience. While true-4G speeds are just in theory, LTE has been around for two years or so and mobile carriers have now started to adopt the system more than ever.

For anyone owning a 4G-compatible smartphone, or even a modem capable of transferring data at high speeds, there has always been the question on how to increase the average threshold and push the speed to its full limit. Those who are in-range of a 4G tower may want to listen up, as today we're going to explore the best common practices to boost 4G download and upload speeds, while increasing the 4G signal strength.

How to Boost LTE Speeds and Signal:

Just to keep things technically correct, LTE is not a true 4G standard. Roughly considered as 3.9G, LTE was broadly adopted, because of marketing terms mostly, as 4G. In theory, Long-Term-Evolution is capable of providing 100 Mbit/s speeds in the downlink and 50 Mbit/s in uplink. In plain English, that translates to 12.5 MB/s of "real" speed for downloads, and 6.25 MB/s for uploads.

The theoretical peak occurs only when LTE uses 20 MHz channels to transmit information, meaning that one user should be pretty near the transmitting tower and that the receiving cell should only contain a limited number of users – which, again, happens only in theory. But, fast speeds occur near the limit and through our testing, we've seen people reach 10MB/s peaks on US networks.

In order to increase network efficiency and force the 4G-compatible handset/modem to obtain better speeds, a few things can be done. Although the following tricks may boost transfers, keep in mind that they may work only for some of you, depending on the network you are currently, and even though they might work, results might not be exalting.

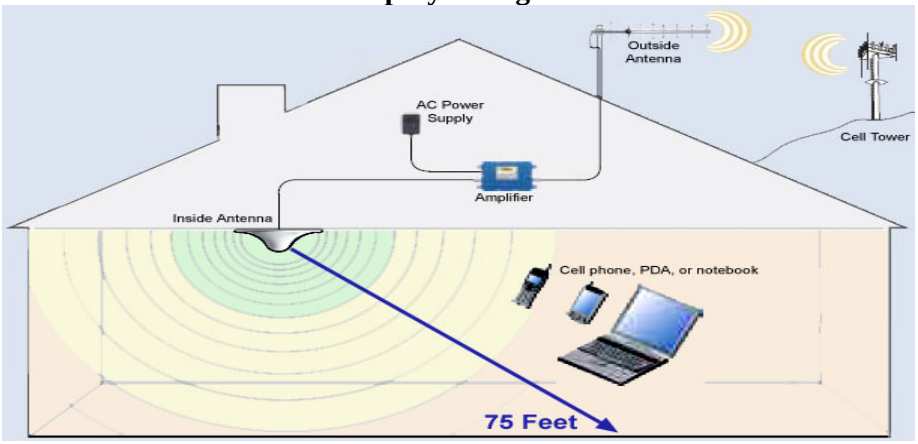
Common Sense Techniques

Interference free – place away the cellphone and especially the modem away from any other electronic device, just to make sure that something may not interfere with the signal. Usually, household appliances like TVs, radios and especially microwave ovens can cause slower speeds.

Maximize modem signal – 4G towers use waves to send traffic towards the modem, so in order to ensure that a high amount of these waves reach the terminal, you should place the modem near a window. Avoid placing the unit behind anything solid, like a concrete wall, metal and especially, trees (water found inside the leaves has high influence over signal loss).

Change position – orientating the modem position may align its antenna with the one placed on the tower, increasing LTE signal strength. Although it sounds a bit voodoo, tower antennas are usually unidirectional and matching the right degree will boost speeds.

Amplify the signal:



Best used for home or office environments, amplifiers can be seen as quite the investment when you want quality wireless internet access. For instance, someone wishing to boost their 4G speed inside the house can acquire a signal amplifier, a pair of compatible antennas and connect them for wonderful results. The concept is as follows:

One antenna is placed outside the house, on a fair altitude, so that it will capture more signal than the antenna mounted on the handset can. This eliminates the attenuation caused by the house walls and, depending on the antenna quality, it will increase gain dramatically.

Another antenna needs to be mounted inside the house, to retransmit the signal captured by the outside unit. This method will once more help disregard the attenuation produced by house walls.
Between the two antennas, an amplifier must be mounted that will increase the signal strength and help remove the feeder / cable loss.

Building such a system is not as complex as it sounds, and we have encountered cases where the whole set-up cost just around $700. Moreover, this scenario can be implemented in zones where 4G cannot reach a regular terminal antenna, but where it's close enough for a full-sized unit. Also, we recommend resorting to a specialized crew for this kind of job.

Bonus: Faster 4G Connect and Rezist



Whenever a 4G link becomes unstable, and the measured signal strength is below a certain threshold, the tower usually reconnects the terminal to a 3G system in order to ensure stability. There is a trick that will allow the smartphone to connect to a 4G network sooner than usual, and stay linked longer.
Note: this procedure works regardless of the carrier and should not harm the device, but problems may appear (blame XDA)

Challenges in migration to 4g:

Multimode user terminals

With 4G there will be a need to design a single user terminal that can operate in different wireless networks and overcome the design problems such as limitations in size of the device, its cost and power consumption. This problem can be solved by using software radio approach i.e. user terminal adapts itself to the wireless interfaces of the network.

Selection among various wireless systems.

Every wireless system has its unique characteristics and roles. The proliferation of wireless technologies complicates the selection of most suitable technology for a particular service at a particular place and time. This can be handled by making the selection according to the best possible fit of user QoS requirements and available network resources

A. Security

Heterogeneity of wireless networks complicates the security issue. Dynamic reconfigurable, adaptive and lightweight security mechanisms should be developed

B. Network infrastructure and QoS support

Integrating the existing non-IP and IP-based systems and providing QoS guarantee for end-to-end services that involve different systems is also a big challenge.

C. Charging/ billing

It is troublesome to collect, manage and store the customers' accounts information from multiple service providers. Similarly, billing customers with simple but
Information is not an easy task.

D. Attacks on application level

4G cellular wireless devices will be known for software applications which will provide innovative feature to the user but will introduce new holes, leading to more attacks at
the application level.

E. Jamming and spoofing

Spoofing refers to fake GPS signals being sent out, in which case the GPS receiver thinks that the signals comes from a satellite and calculates the wrong co-ordinates. Criminals can use such techniques to interfere with police work. Jamming happens when a transmitter sending out
signals at the same frequency displaces a GPS signal.

F. Data encryption

If a GPS receiver has to communicate with the central transmitter then the communication link between these two components is not hard to break and there is a need of using encrypted data.

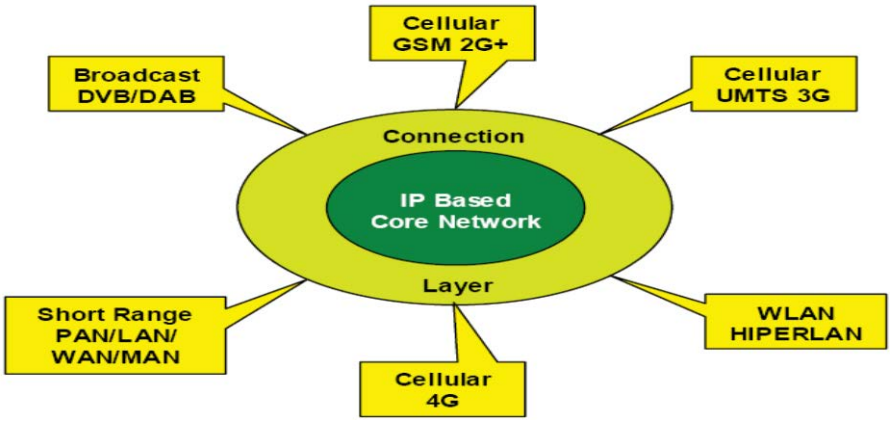


Fig.2. Seamless connections of networks

Seamless performance: x Reducing handover latency and packet loss is key to delivering a quality service. This reduction is considerably more challenging with mobile broadband than with fixed-line broadband where the time variability and unpredictability of the channel become more acute, creating the issue. Additional complications arise from the need to hand over sessions from one cell to another as users cross coverage and frequency boundaries. These handover sessions require seamless coordination of radio resources across multiple cells. In the past, 3G networks split both voice and data signals. 4G LTE uses an Evolved Packet Core that is 100% IP based, faciliating simultaneous voice and data communications.

Conclusion:

1) The 4G or LTE network will give better performance in future. It is evident that 4G technologies will expand on web-based communications around the world. 4G technology will allow for improved applications such as telemedicine that may save lives. It is a fully IP-based network and will improve data transfer dramatically. Signal disruptions will be minimal and downloads will be done in a matter of seconds, faster than ever before. In the near future, a 5G cell phone will be created along with a 5G network based on 4G technologies allowing for the world to connect limitlessly.

2) The 4G LTE technology is nothing less then ground breaking. The advancements that have been made from 3G to 4G LTE alone are mind blowing. With the data processing speed being increased to at least 100 Mbit/sec the possibilities are limitless in the wireless communication world. Everything with this new technology has been brought to a new standard. The security, with the complete IP-based solutions allows the user to use the full capability of the phone as well as feel completely secure at the same time, this is one of the most vital aspects that has been upgraded from the previous wireless communication technologies. Even though the hardware and coverage areas aren't up to par yet though, isn't that big of a set back. The technology is still considered brand new and will only be improved in the coming years. As I said previously, this technology is truly ground breaking and makes the average person really think about what is possible with wireless communication? If there ever is a 5G network, how powerful will it be and what will it possibly be able to do that the 4G doesn't already do?

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Scope and Impact of Android application in Education Sector

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ABSTRACT

In the present scenario, as the Technology in the Mobile application is getting wider and better and the outcome of the result is also having a great impact on the entire sector. The most common revolution with Mobile phone including smart Phones industry, and the growth of Mobile application is also utilized on the basis of applications like Chats, Whatsapp, Entertainment, Social media, Games and etc. Now as the trend of New Mobile Application is generally empowering in the market. The Most common & widely used platform is Android platform. This Platform work as an Operating System on various types of Smart phones, I-phones, Tablet etc. as the Major component of performance is totally based on the type of Application Software available in the Smart phone. The Application also helps to keep record of various Educational activities and Schedule to starting from beginning till the end of the Task. As many universities seem to find quick solutions while they develop their wider Technical strategy. One of the reasons is the creation of Mobile templates for their current website at cheaper rate Higher education institutions invests in technology to improve student experience and increase efficiency. Two recent technology trends are making an impact on the Higher Education sec- tor. One, ubiquity of learning and teaching, translates into the move towards provision of wireless access to virtual learning environments (VLEs). Mobile VLE apps are emerging tailored to the variety of smart phones and tablet computers.

Keyword: - business-to-customer [B2C], business-to-business [B2B] , business-to-government [B2G], International Data Corporation (IDC) , Mobile App- Mobile Applications, Virtual learning environments - (VLEs), World Summit Awards (WSA)

I. Introduction:

The Educational android Apps were introduced and different users were not ready to accept challenge. The Android applications were then named as "The new wild West" as the application was design for Non educational activities as mentioned above. But as per 21st Century the Mobility of Application has spread World Wide which has lead to entire world to adapt new era of application and end of Traditional Methods remotely. As per the wide scope the name them into "**Edutainment".** In recent years, we have seen a lot of versatile changes in the area of Education as well as Smart phone industry. The emerging trend in the utilization of mobile applications that range from entertainment, educational apps to simple games, health care apps and more. Online courses through internet are emerging on a large Scale and all the Regional, National & International Universities are also part of it with respect to future perspective. Communication has also been established by the Student for obtaining various courses & online Solution. Android is a one of the best option for education institutions.

Latest mobile application Students and other group people related to various groups, friend circle has easy methodology of sharing all the necessary information required from their respective Educational Organization, from Letters to Other regular events and many more in their iPhone or Android.

II. Data Analysis & Research strategy:

2.1 How Mobile Devices can recommend in Education and its Impact?

The worldwide Smartphone market grew 27.2% year over year in the second quarter of 2014 (2014), just over a 1/3rd of billion shipments at per units, As per the data received from the

International Data Corporation (IDC) Worldwide Quarterly Mobile Phone Tracker. The technology is occupying all the levels as E-Books in various Mobile devices, Operating Systems, Apps with various properties. As per Fig no. 4.

2.2 Conversion of Text Books into E-Books:

The First Step in Education is with the use of **Text Book** as we believe the importance of books in education, and having access to a library of books. The e-book sales expectation is much higher than those of text books. The cost of mobile devices is becoming lower as compared to textbook costs, and continues to fall. As per the Current Scenario, more and more publishers turn to e-book publishing which is cheaper for the publishers and cheaper for their readers. Authors willing to publish are able to self-publish into e-Books as free software available, which can confined by geographical distances. Readers can access books from the homes or from wherever they are instead of physically travelling to the library. Application based on multimedia, lead to core elements of e-Books and e-Courses. The multimedia elements will help the students to understand various concepts in teaching by audio/video. With traditional Methods, many of which are written in English and studied by non-English languages by the leaner/student , what they could not comprehend via word and sentences are conveyed via multimedia. The revolutionary mobile platform combines clear instruction, Live support, online exam assessment with assignment, and counseling, helps the teachers to customization of instruction for each and every student. E-books on mobile devices offer something that is customary to the teachers and the students. Students can read not only the books that are required in their classrooms but get additional information and knowledge as per there need, even when they are away from the classroom. **E.g. Houghton Mifflin Harcourt introduces the world's first educational app for schools developed exclusively for a touch screen mobile device with cutting edge Apple iPad® technology**.

2.3 The Post-PC Era: From Computers to Mobile Devices :

The computing environment started off with distributed computing platforms where organizations were doing their own computing within their own networks and moved to centralized computing when the need for online electronic transactions between business-to-customers [B2C], business-to-business [B2B] and business-to-government [B2G] became common. Now with cloud computing technology and widespread use of mobile devices for computing power and connectivity, resulting in centralized computing platform. Cloud computing infrastructure and applications are able to interact with users who have mobile phones. Users of mobile phones and devices are not required to store data and information on their respective devices. The required data and information are stored with their respective cloud service providers. As per the need arises to use that data or references, the information access is obtained via their mobile service provider as long as they are within the network. Remote access to data and information is not defined to any location.

Mobile devices have shown their impact in the present and future in the following way:

1). Form factor: easy to handle when compared with laptops and notebooks.
2). Long battery life and instant-on: Lasts longer without power connection and has instant connectivity.
3). Price: costs twice as less and decreasing dramatically.
4). Touch interface: no clumsier mouse or touchpad.
5). Improved Digital reading: crisp quality of the display.
6). Integrated Multimedia: audio/ video , images.
7). Collaboration: educational value of social networking.

2.4 Using Mobile Devices in Education and its Impact on the Stakeholders:

There are many stakeholders in the education system, namely the education providers like schools, colleges, teacher training institutions and universities, All the teachers like class , subject , HODs, Principals, all the like primary, secondary, and tertiary students, their parents as individuals, in

school/colleges and in all the management committees, the Ministry of education, E-governances with funding status. All stakeholders need close collaboration if they want to benefit from successfully deploying classroom curriculum via mobile devices.

Digital classroom in the curriculum creates two significant business status for sustainable education futures:

1) The Variable cost of increase in digital learning & E-learning materials is zero.

2) The course design and development costs among institutions are cheaper.

Therefore, it is possible to provide access to high quality of learning materials and E-Books, even for those user who does not rely on low-cost access to the Internet. This would not require any additional new funds or investment. Mobile devices are on track to become the main technology for use in education in the future perspective, With advanced improvement, and enhanced with every generation of learner with them.

2.5 Mobile Device Technologies Currently Being Used in Education :

I. Teacher Mate system: was first developed by Chicago-based nonprofit organization**,** for learning perspective

1). Effective education requires individualized instruction

2). Technology can greatly assist teachers in individual instruction.

These ideas have led to the development of Teacher Mate, which creates an effective system of individualized instruction that is Convenient and Scalable**.**

II. Mobile Learning Management System [Drona]: Drona is an example of Mobile learning Management System, it provides M -Learning environment and also helps users to develop their own Mobile Apps**,** as per their need**. Drona has won the World Summit Awards (WSA)** in the category of m-Learning & Education, 2010 [3]. Mobile phones have surfaced as a better mechanism for learning and collection of information - Drona is a mobile learning management system. It allows users to manage the content ranging from Slides with audio and video graphics images. Variant in methodology of methods are developed like PPT, MCQ, Q & A, true or false, category assessment, surveys, and feedback. Learner have freedom to attend the class**,** computers, provide easy access without any issue as it is user-friendly in terms of both Knowledge , Management, and end- user. The Analytics allows tracking and reporting of Curriculum, with different user, administrators**,** trainers and end-users respectively. As per table seen by **Fig. 5** the android application worldwide in 2014 report, is issued which reflect the usage and the market share across the globe [3].

III. Impact of Mobile Apps in Education:

The impulse and value of education is exceptional and noble since day one in human history and the efforts to improve the quality of education has been appreciated throughout Smartphone‘s introduced another means for the knowledge lovers to fulfill their thrust and dreams.

3.1 Positive Impacts:

Nowadays, Internet has become a part of life of every student to search for the information at any time and use of mobile phones for internet access has become a routine. The number of mobile consumer accessing the Internet is increasing day by day. The Increase in demand of android phone to access of Internet with high speed browsing resulted in providing options in Educational sector. Which provide an opportunity to the End users to utilize their Smartphone for educational benefits in limited time irrespective to their location . **Distance education** is a learning mechanism that focuses to liberate students from limitations of time and place for flexible opportunities in education. It also enables students to utilize their time such that they can continue their education without impacting their work and family life. Smartphone within and without the classroom make it easier for students and teachers to collaborate. Students missed there lectures for any reasons would be able to attend class through their Smartphone and keep the record of their missed class , without any issues to keep

them separated **.** The education system of developing countries might unarguably be the most prevalent beneficiary of the mobile technologies. Smartphone‘s has dual role for developing countries, as these devices can play vital role in their educational systems**.** The Smartphone provide give different inputs in educational and learning resources. In developing countries**,** Smartphone overcome the drawback of low speed of internet access, which result in development of all the areas required.

3.2 Negative Impacts :

Along with merits ,it has some limitation such as , Smartphone‘s give access to other activity such as Whatsapp, social networking sites, e-mails, play online games, and even watch TV channels. This may mislead to the student to focus on other perspectives which lead to disturbances to other students around them and even at time the whole class. In addition, it wouldn‘t be easy for students to make calls during exams to cheat but it may be easy for student in a classroom or examination hall to use their Smartphone‘s to access information online to cheat in exams. In fact some are there about the use of Smartphone‘s for cheating in the classroom. The dependency of Smartphone could be through the use of message with other students, solution on the Internet, using scientific calculators and various applications, answers are also saved on their phones to help on the exam. Smartphone‘s can encourage harassment and threat also. Smartphone are embedded with high profile Audio /video systems, which can be used to record and photograph harassment in schools and colleges [16].

IV. Scope of Mobile Apps in Education:

After introduction of Educational android Apps has become High-Quality graphics are available. The Android OS is capable of execution of various this High-Quality graphics very easily. The Enhancement of Technology has made the developers to program or design at a Standard Level benchmark. The Mobile Application can be accessed virtually from Remote Place with no requirement of additional Hardware which result in faster downloading and good user interface along with increase in number of user. The Mobile App are on the Best way to move forward as the **90%** of Students Carry application very efficiently as they are more social with respect to studies. Global Universities are willing to have good students worldwide for such circumstances; they can apply for the choice course form any part of the Globe.

4.1 Maximum Universities are using apps for basically for this reason:

a. Authorize the entire student to access as well as update their details.

b. Add and Update the records of students as well as give online Exam, Class Test and various Project Submissions within the deadline given to them and keep record of all the submissions to measure the performance.

c. Some apps may work as an integrated communication and location based service which allows alumni to automatically log their position and see the approximate location of nearby alumni – alumni are also able to send short messages to each other without disclosing their own phone number or email address. E.g. AberWorld. ref[d]

d. **Some includes prospectus, time tables, library app for details location in the campus. E.g. University of Southampton**.

Education Apps, Class room Management System like video conferencing, E-learning apps are designed, also introduced along with New Technology in the Global Universities in Educational Sector. The Upcoming Application are nowadays replacing the Traditional method of learning’s as well as teaching such as Textbooks, Notes, Class room by Android Phone application as well as Key Learning Tool. Education Mobile Apps has been transfer into new methodology of knowledge Sharing. Which results into new way of learning in Innovative Way? Application has redefined the learning process & collection of apps in the available Store as an Organizing tool for Project based Learners. Selective University's also aim for having strategic knowledge Sharing & development of student and it also contributes for research work. Online digital Learning has got good quality of

Contents, Animation and charts. It also helps in various distance courses like management e.g. Executive MBA, competitive exam like **IIT, JEE, GMAT, GRE** etc. as per the Global market share in mobile application survey done and mentioned pie chart in Fig no 6.

As per the statistics, there are more than **30 universities** and nearly **50 colleges** that have a mobile app in **the Apple store.** Some Universities and colleges, institutes are also have number of key areas where direct communication with the student through their mobile handset can assist them in putting information at their fingertips quickly and efficiently, such as interactive maps for when students first arrive on campus, timetabling put straight into their mobile calendar, accessing staff directories, utilizing mobile for small payments on campus and access to course work. Some work on the focus on enhancing the student experience through the Mobile Campus Assistant. Future plans feed the lessons learnt and experience accumulated within the IT services research and development team into all aspects of the University's have now adopted various mobile strategy**,** with the help of technical Assistances into informative and knowledge sharing website and intranet**,** along with research support systems. Education providers strive to open up new opportunities to learners of various levels and skills**.** Nowadays Institute and universities are adopting new systems for identifying the progress ,assessment and reporting, and help in doing regular activities. We are using expertise method to simplify the teaching process to enable both teacher and the students into more efficient and responsible. The School software (Core Teaching Process Automation) developed by us focus on core teaching process and makes things simpler. **E.g. K12 method. K**^{12} method is academic & registered way of online learning as per fig no 7.

V. Charts and diagrams :

5.1 Android Architecture :

Fig. no.1

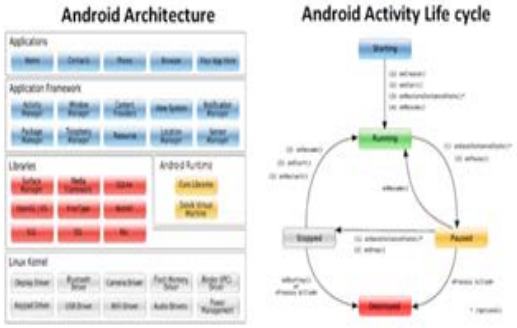


Fig. no.2

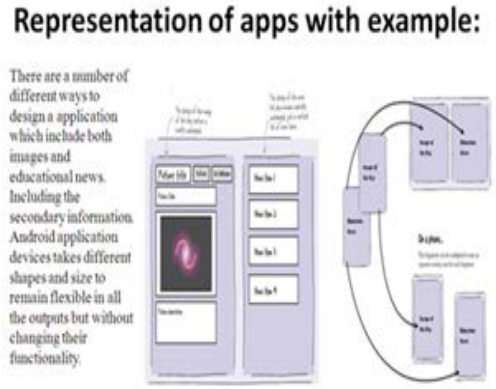
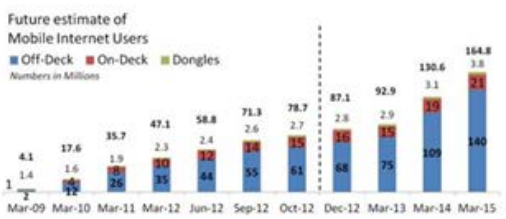


Fig. no.3

Example :
How to Download Apps from the Apple Store:

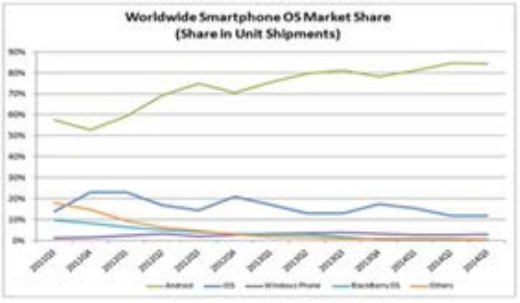


Fig. no.4



5.2 Survey of market share:

Fig no: 5



Period	Android	iOS	Windows Phone	BlackBerry OS	Others
2014	84.40%	11.70%	2.90%	0.50%	0.60%
2013	81.20%	12.80%	3.60%	1.70%	0.60%
2012	74.90%	14.40%	2.00%	4.10%	4.50%
2011	57.40%	13.80%	1.20%	9.60%	18.00%

Fig. no.6

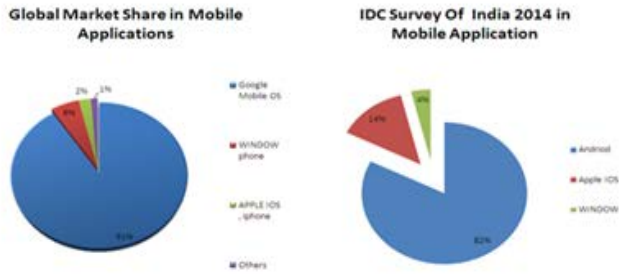


Fig. no.7



VI. Conclusion & Future Direction:

It is true that Smartphone has a sizeable impact on society and other aspects of life. The Enormous usage of these devices by user states that the size of this impact. Consumers are in process of negotiation way from the use of conventional cell phone as there Smartphone‘s are beginning the part of the society. Different age groups are often considered to be strong users of information and

communication technologies but it is still important that they learn the skills necessary methods to operate data devices **at** a lower end**,** and capacity to use or develop the tools for sharing information with application and also compatibility to other tools available online.

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2. Impact of Smartphone's on Society Muhammad Sarwar Department of Information Technology, and Tariq Rahim Soomro.
3. What is the Potential Impact of Using Mobile Devices in Education by Sam Goundar .

7.2 These & Proceedings papers:

1. Introduction to Android Development by Ed Brunette.
2. My mobile Bristol unaffordable research data collection through the Leaf Watch crowd-sourcing apps persevering**.** - Mike Jones, University of Bristol IT services R&D/ILRT Team**.**

7.3 Website & Blogs:

1. Apple has designed their First Education for Southampton University – Nicholas Oliver Technical Director &Project Manager Apple process & collection of apps in the available Store.
2. QApps was established to do research into people's hands, and make an impact on the world. Framework exercise. Apps have been developed from Student projects, in collaboration with award winning partners AlwaysOnMessage (AoM),.- Adam Daykin is senior technology transfer manager at Queen Mary, University of London
3. Iconic Mobile has worked with the University of Hertfordshire to produce a mobile web application which is accessed through the mobile internet browser,- Sean Montgomery is managing director of Iconic Mobile
4. AberWorld is an app to keep the Aberystwyth University alumni community connected to the university and each other. AberWorld includes the facility to make a donation to the University's Annual Fund via PayPal and it also allows the user to update their contact details. The app is scheduled for release of Android devices in early 2012. The biggest development challenge is striking the balance between usability and security. - Dr David Currie, database manager, development and alumni relations office at Aberystwyth University
5. It can be challenging to integrate mobile apps with other internal systems - but it is worth persevering. - Doug Poole, Digital media officer, University of Southampton.
6. http://www.castlerockresearch.in/education.html.
7. http://kuwait.craigslist.org/cps/4750118248.html
8. http://www.mobileappintelligence.com/mobile-application-development
9. http://www.castlerockresearch.in
10. http://www.theguardian.com
11. http://www.blog.epravesh.com
12. http://www.idc.com
13. http://www.dazeinfo.com
14. http://www.wsa-mobile.org/winner/drona
15. http://www.hmheducation.com
16. www.academia.edu/7006858/Impact_of_Smartphones_on_Society

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A Review of Knowledge Discovery Using Text Mining and Its Applications

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ABSTRACT

Text mining is defined as the process of discovering hidden, useful, and interesting patterns from unstructured text documents. Text mining is also known as intelligent text analysis, knowledge discovery in text (KDT), text data mining etc. Text mining is an interdisciplinary field which incorporates data mining, web mining, information retrieval, computational linguistics and natural language processing etc. This research paper is intended towards text mining methodology and its applications. Also it explores on problems in text mining. This Paper is focused on future challenges and areas of text mining and knowledge discovery.

KEYWORDS: Text mining, Data Mining, Knowledge Discovery, KDT

INTRODUCTION

The data stored in computer can be in any one of the form structured, semi structured and unstructured. The data stored in database is structured and semi structured and unstructured data is emails, full text documents, html files, web data, audio, video and many more; approximately 90 % of corporate data is in unstructured format. The information retrieval from unstructured text is very complex requires specific processing methods and algorithm to extract useful pattern, to solve this Text mining technique is used to work on semi structured and unstructured data. Text mining is defined as the process of discovering hidden, useful, and interesting patterns from unstructured text documents. Text mining is also known as intelligent text analysis, knowledge discovery in text, text data mining etc. Text mining is an interdisciplinary filed which incorporates data mining, web mining, information retrieval, computational linguistics and natural language processing etc. Text mining is an inspiring research area which is useful to discover knowledge from unstructured data is important for knowledge management applications such as communities of practices, decision support system (DSS), expertise locations and competency management, business intelligence. There are various applications of text mining like telecommunication, bank, IT, media, insurance, political analysis, pharmaceutical, health care, bioinformatics, business intelligence, national security and many more.

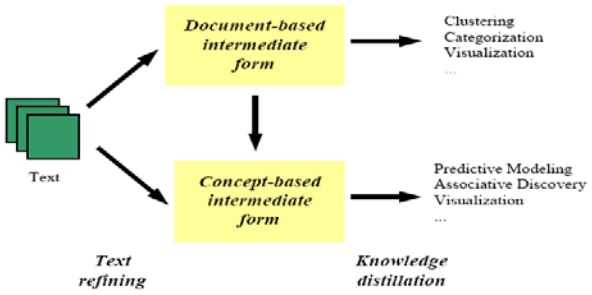
DATA MINING AND TEXT MINING

There are main two objectives of data mining namely Prediction (using some variables in data set in order to predict unknown values to other relevant variables) and Description(involves findings human understandable patterns and trends in the data) which is

categorized into classification, regression, clustering, dependency modeling, deviation detection, summarization etc.

Text mining consists of two steps text refining and knowledge distillation. The various steps involved in text mining are

1. Text preprocessing : contains tokenization, stop word removal, stemming
2. Text transformation
3. Feature selection
4. Text mining (data mining) methods such as classification, clustering, association etc.



Dig 1: Text mining framework [12]

Text refining converts unstructured text documents into an intermediate form (IF). IF can be document-based or concept-based. ***Knowledge distillation*** from a document-based IF deduces patterns or knowledge across documents. A document-based IF can be projected onto a concept-based IF by extracting object information relevant to a domain. Knowledge distillation from a concept-based IF deduces patterns or knowledge across objects or concepts. [12]

REVIEW OF LITERATURE

The related literature review carried out for this proposed research is as:

A lot of this information is available over the internet, where firms can use business intelligence tools to take advantage of text mining, which allows business users to see trends and patterns through large amount of informational data. There are two places where text mining can be especially beneficial: on social media platforms and in the medical field. [1]

V.JayarajandV.Mahalakshmi in the paper entitled "**Text Mining Template Based Algorithm for Text Categorization for Improving Business Intelligence"**,focus on extracting and processing information and deriving knowledge for decision making and improving the scope of business intelligence. The aim of this paper is IRFC (information retrieval based on configuration file) for extracting data from any source of data in the form of configuration file to support all kind of information. This **IRFC** technique is compared with **KNN Text Classification Algorithm** where time optimization is compared and results are interpreted for selecting the proper candidate for job from number of resumes. [2]

K.L.Sumathy and M.Chidambaram in the paper entitled **"Text Mining: Concepts, Applications, Tools and Issues – An Overview** "talk on the information retrieval from unstructured text is very complex requires specific processing methods and algorithm to extract useful patterns. This paper describes about general framework of text mining which contains two main steps text refining and knowledge distillation, text mining process, areas of text mining such as information retrieval, information extraction, data mining and natural

language processing, applications of text mining like telecommunication, bank, IT, media, insurance, political analysis, pharmaceutical, health care, bioinformatics, business intelligence, national security and many more. [3]

Mr. Rahul Patel, Mr. Gaurav Sharma reviews the various text mining techniques such as information extraction, summarization, categorization, clustering, concept linkage, information visualization and also briefed about various text mining algorithms such as k nearest neighbor, support vector machine, Bayesian classifier, K-mean clustering in the paper entitled "**A survey on text mining techniques** ". [4]

The information available on web is semi structured or unstructured so it is very difficult to directly carry on data mining on the Web page. The data on Web have to be through necessary data processing for the same text mining is used. [5]

Article by Mark A. Anawis , "**Text Mining: The Next Data Frontier"**, 2014 portray text mining methodology , related fields, tools , applications such as spam filters, fraud detection, sentiment analysis , trend and authorship identification. This paper focuses on future challenge of text mining in to a large corpora, domain knowledge, and personalization and muti-lingual capabilities**.[6**]

Ingo Feinerer, "**Introduction to the tm Package Text Mining in R**", briefs about use of corpus(collection of documents) and removal of stop word , stemming, filtering, term document metrics' and operations on it.[7]

Report of Oracle® Data Mining Concepts 11g Release 1 (11.1), 2008 focus on unstructured data and various text mining algorithms for Such as Naive Bayes, Generalized Linear Models, Support Vector Machine, k-Means, Non-Negative Matrix Factorization, Apriori, Minimum Descriptor Length etc. Report also concludes that Apriori algorithm is used for association mining function which generates various association rules for information retrieval. [8]

Article entitled "**Text Mining: The state of the art and the challenges"** by Ah-Hwee Tan illustrate a general framework of Text mining which contains main two components text refining and knowledge distillation. Text refining converts unstructured text document into intermediate form and knowledge distillation form is deduces pattern or knowledge across the object. The article also talks about text mining challenges such as there is need to capture relationship between the concepts or objects described in the document and it is essential to develop text refining algorithms. [9]

Debora Cheney, in his paper entitled "**Text mining newspapers and news content: new trends and research methodologies**" focus on the news paper documents related to humanities and social sciences text mining including government documents, novel/literature, magazines, newspapers and social media content. Text mining requires a large corpus of documents /contents which is freely accessible and available to the researcher through the newspapers, web pages. [10]

The central challenge of text mining is that the accurate analysis of both structured and unstructured data in order to extract meaningful associations, trends and patterns in large corpuses of text. Thevarious text mining tools are also described such as SysomosMAP, Netbase, Crimson Hexagon Foresight, Discover Text, LinguamaticsI2E etc described in **"Text Mining and Social Media: When Quantitative Meets Qualitative, and Software Meets Humans"** by LawrenceAmpofo, Simon Collister, Ben O'Loughlin, andAndrew Chadwick. [11]

FUTURE RESEARCH& DIRECTIONS

Data mining algorithms act on numerical and categorical data stored in relational databases or spreadsheets. Today there is need to mine the data that is not numerical or categorical such as web page data , images, audio video files, presentations, documents libraries, reports and many more. This type of data is known as unstructured or semi-structured data.Extracting meaning full information and generating knowledge is critical and need of business for decision makingand text mining is best solution for the same.

Only 20% of web data contains useful information and remaining 80% data is not useful for mining from this 20% of data several frequent patterns generated using pattern discovery technique like association rule mining which is useful to retrieve particular mining from collection of data, for web prediction and website modification.

Text mining is an inspiring research area which is useful to discover knowledge from unstructured data is important for knowledge management applications ; there are many applications of text mining such as telecommunication, bank, IT, media, insurance, political analysis, pharmaceutical, health care, bioinformatics, national security, etc.

CONCLUSION

Manual analysis and generating effective knowledge discovery from useful information is not possible because of huge availability of information on website. There are various challenges of text mining like large or huge data; documents are in unstructured format complex relationship between the text, ambiguity and context sensitivity in the text. This can be achieved by text mining by finding the patterns, trends, relationship between the concepts in text.

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Ethical Challenges of Technology Management: Problems In Knowledge Age

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ABSTRACT

Information Technology is changing the face of contemporary World. The IT has not only connected the World at one single platform but it is also helping in the integration of various traditional societies into modern societies.Information systems raise new and often perplexingsecurity and ethical problems.Unethical information technology (IT) conduct is estimated to cost billions of dollars in deficits for enterprises.Included in this unethical behavior are issues associated with the knowledge age. The ease and anonymity with which information can becommunicated, copied, and manipulated in online environments are challenging traditionalrules of right and wrong behavior. A distinction is made between moral indoctrination and instruction in ethics. It isargued that the legitimate and important field of computer ethics should not bepermitted to become mere moral indoctrination . Computer ethics is an academicfield in its own right with unique ethical issues that would not have existed ifcomputer technology had not been invented. Several example issues are presentedto illustrate this point. The failure to find satisfactory non-computer analogiestestifies to the uniqueness of computer ethics.Ethical issues confront individuals who must choose a course of action, often in a situation in which two or more ethical principles are in conflict. This paper argues that we must reconsider our approach to information security from the ground up if we are to deal effectively with the problem of information risk and overcome ethical issues.

Keywords: Information Technology (IT), Ethics, Knowledge Age,Information System, Security

1. INTRODUCTION

The past two decades have witnessed a fast yet disparate proliferation in computers and information technologies inbusinesses all over the globe. Society has entered a period driven by computer technologies generally identified asthe "Knowledge Age". Managers, researchers, and academicians have become attentive that knowledge andinformation technologies are critical and significant organizational resources. As societies made the transition fromthe industrial era to the post-industrial era, the amount and availability of information is significantly greater [1].Knowledge is a primary resource for organizations [2] and a source of wealth and competitive advantage forsociety [3]. In this different information-rich environment, most work will involve the production and dissemination of information [4].

The importance of IT in the new economy, the knowledge workers who useIT and their manager's benefit from better understanding the relationship between using information technology andperforming knowledge work. With this ever-increasing existence of computer technology in our lives, informationsystems ethics is vital.

Ethics refers to the principles of right and wrong that individual, acting as free moral agents; use to make choices to guide their behaviors. Information systems raise new ethical questions for both individuals and societies because they create opportunities for intense social change, and thus threaten existing distributions of power, money, rights, and obligations. Like other technologies, such as steam engines, electricity, the telephone, and the radio, information technology can be used to achieve social progress, but it can also beused to commit crimes and threaten cherished social values. The development of information technology will produce benefits for many and costs for others.

2. ETHICS DEFINED

Computer Ethics is a branch of practical philosophy which deals with how computing professionals should make decisions regarding professional and social conduct. Margaret Anne Pierce, a professor in the Department of Mathematics and Computers at Georgia Southern University has categorized the ethical decisions related to computer technologyand usage into 3 primary influences:

a. The individual's own personal code.
b. Any informal code of ethical behavior that exists in the work place.
c. Exposure to formal codes of ethics.

Ethics is a gray area that deals with actions that are not technically illegal, but are not quite right either [5]. Ethics isdefined in different ways and sometimes even conflicting ways depending on one's perceptions, morals and values.Ethics are guidelines to influence human social behavior in a manner intended to protect and fulfill the rights ofindividuals in a society. Guidelines do not simply mean laws; they also include basic principles of analysis,beliefs and assumptions about the nature of God, the physical word, life, individuals and society and social values[6]. Computer ethics is a vibrant and multifaceted field of study that contemplates the interactions between facts,conceptualizations, guidelines and principles relating to continually varying computer technology [7]. Informationethics is also an important issue [8].

3. ETHICAL CHALLENGES

An ethical issue arises whenever one party in pursuit of goals engages in behavior that materially affects the abilityof another party to pursue goals [9]. Ethical issues in IT differ from general ethical issues as information inelectronic form is more readily available. This raises questions in regard to issues such as intellectual propertyrights, plagiarism, piracy and privacy when there is less personal contact. One factor behind the interest in IT ethicsis a suspicion that IT professionals are unprepared to deal effectively with ethical issues in the workplace [10].Mason [11] developed a theoretical social framework in dealing with the major information technology ethicalissues of the information age. He identified four issues known as PAPA which stand for privacy, accuracy, propertyand accessibility. The concept of PAPA as the foundation of information ethics has remained popular for over twodecades.

Physicians, attorneys and other professionals whose job duties affect others' lives usuallyreceive, as part of their formal training, courses that address ethical issues common to theirprofessions. IT security personnel often have access to much confidential data and knowledge about individuals' and companies' networks and systems that give them a great deal of power. That power can be abused, either deliberately or inadvertently. But there are no standardized training requirements for hanging out your shingle as an IT security consultant or in-house security specialist. Associations and organizations for IT pros are beginning to address the ethical side of the job, but again, there is no requirement for IT security personnel to belong to those organizations. The education and training of IT professionals, including security specialists, usually focuses on technical knowledge and skills. You learn *how* to perform tasks, but with little consideration of how those abilities can be misused. In fact, many IT professionals approach their work with a hacker's perspective: whatever you *can* do, you're entitled to do. Professionals in the IT field have no single, agreed upon code of conduct. Furthermore, IT professionals are notprovided any ethical conflict guidance.

4. SECURITY MANAGEMENT

Information systems raise new and often-perplexing security an ethical problems. This is truer today than ever because of the challenges posed by the Internet and electroniccommerce to the protection of privacy and intellectual property. Other security and ethical issues raised by widespread use of information systems include establishing accountability for the consequences of information systems, setting standards to safeguard system quality that protect the safety of individuals and society, and preserving values and institutions considered essential to the quality of life in an information society. If organization running a large business, it will be confronting these issues, and

organization need to know how to deal with them.Information Security can only be managed properly if, on a macro level, an internationallyaccepted reference framework (code of practice) is used, and if on a micro level, physicalmeasurements can be made. All this must be accompanied by an international informationsecurity certificate, and a comprehensive corporate information security culture. There areplenty of tools to enforce security in information system. Information being a vital resourcefor organization must be kept secure from unauthorized access. Security tools minimizeerrors, fraud, and losses in the e-business systems that interconnect businesses with theircustomers, suppliers, and other stakeholders. Where information risk is well enough understood and at least in broad terms stable, information security starts with policies. These policies describe "'who should be allowed to do what" to sensitive information. Once an information security policy has been defined, the next task is to enforce the policy. To do this, the business deploys a mix of processes and technical mechanisms. These processes and mechanisms fall into four categories:

1. Protection measures (both processes and technical mechanisms) aim to prevent adverse events from occurring.
2. Detection measures alert the business when adverse events occur.
3. Response measures deal with the consequences of adverse events and return the business to a safe condition after an event has been dealt with.
4. Assurance measures Validate the effectiveness and proper operation of protection, detection, and response measures.

The final information security task is an audit to determine the effectiveness of the measurestaken to protect information against risk, we say "final" but, obviously, the job of informationrisk management is never done. The policy definition, protection, and audit tasks areperformed over and over again, and the lessons learned each time through the cycle are applied during the next cycle.

5. CONCLUSION

Using IT in business activities enhances productivity of all components of the organization. But these enhancements are not free of cost. Use of IT in business causes information risks. Therefore a trade off between rewards and risks exist. The organization must ensure the some rules to preserve their information, the privacy of working staff and to reduce the risks of computer crimes. It is a myth that black hat hackers cause most security breaches but in reality, 80% of dataloss is caused by insiders. To design a security solution that truly protects data, organizationmust understand the security requirements relevant to its business process, and the scopeof current threats to data.It is thought that unless public confidence had been restored and there existed a general belief that corporations wereoperating within a climate of greater trust, honesty, and adherence to appropriate standards of governance, theeconomy was likely to suffer further.It is probably not possible to develop comprehensive ethical guidelines to cover everypossible situation of IT misuse in inside or outside the organization. It is possible, however,to realize the pervasiveness and the magnitude of the problem. It is also possible to developethical guidelines on an ongoing basis to keep pace with changes in the issues. Codes ofethics and professional conduct vary from one professional organization to the next and areincomplete or obsolete.

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Role of Information and Communication Technology in the Women Empowerment

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ABSTRACT

Women empowerment is an essential tool to bring about changes in their socio-economic condition. Through their empowerment women gain greater share of control over resources-material, human and intellectual such as knowledge, information, ideas and financial resources involving access to money and control over decision making in the home, community, society and nation. The world is in the midst of a knowledge revolution, complemented by opening up of entirely new vistas in communication technologies. Recent developments in the fields of information and communication technology are indeed revolutionary in nature.

Information has become the chief determinant of the progress of nations, communities and individual. There is potential for ICTs to eliminate gender inequality and to empower women in society. There is growing body of evidence on the benefits of ICT for women's empowerment, through increasing their access to health, nutrition, education and other human development opportunities, such as political participation.

Against this backdrop, an attempt is made in this paper to investigate women's empowerment through ICTs in rural areas and the role of the Government and the NGOs in promoting the IT sector for women's development. Besides this, the present study explores the barriers to the usage of ICTs by women and suggests strategies to improve their access to IT.

Keywords: Women empowerment, ICT application, NGO initiatives, Barriers and Strategies.

Introduction:

Women's empowerment is focused on increasing their power to take control over decisions that shape their lives, including in relation to access to resources, participation in decision-making and control over distribution of benefits. For women who can access and use them, ICT offer potential, especially in term of reducing poverty, improving governance, overcoming isolation, and providing a voice.

The world Summit on the Information Society (WSIS), held in 2003 in Geneva, saw ICTs as vital tools for women's empowerment: "We are committed to ensuring that the Information Society enables women's empowerment and their full participation on the basis of equality in all spheres of society and in all decision-making processes. To this end, we should mainstream a gender equality perspective and use ICTs as a tool to that end" (WSIS, 2013).

Information and Communication Technology (ICT):

The world is in the midst of a knowledge revolution, complemented by opening up of entirely new vistas in communication technologies. Recent developments in the fields of information and communication technology are indeed revolutionary in nature. In fact, IT has become the chief determinant of the progress of nations, communities and individual.

The highlights of Indian IT Industries:

According to NASSCOM Industry Ranking Report, 2013:

1) IT industry has generated aggregate revenue of USD 3.9 billion in Fiscal Year 1998 (Embassy of India, 2007) to more than USD 100 billion in Fiscal Year 2012.

2) IT has rapidly become one of the most economically significant industries in India in terms of share of total exports (approximately 25% for FY 2012) and export revenue (USD 69.1 billion and growing by more than 16%).
3) Its contribution to GDP is estimated to have grown from 1.2% in FY 1998 to 7.5% in FY 2012.
4) IT services alone account for more than half of the software and services exports in the industry, and is the fastest growing segment of the sector at 18% (NASSCOM, 2012).

It is considered crucial that the improvements in our society benefit all citizens. No single group should be ignored or favoured. The only way is "to make it better for all". There is potential for ICTs to eliminate gender inequality and to empower women in society.

Review of literature:

Sunil Agarwal (2003) has underlined the role of appropriate technology to develop women entrepreneurs by building local capacity to improve quality of work life. The author firmly believes that understanding behind the processes/products will inculcate a scientific temper among women, which will improve their production efficiency and reduce their drudgery in their day-to-day work. Further, the author has stated that there is need to use science and technology to ease the workload of women inside and outside the house. Furthermore, he recognised the role of knowledge and experience of women in sustainable development. These would facilitate them to function as equal partners in development.

Chowdhury (2006) in his article "Empowering Rural Women through Science and Technology" has pointed out that to develop women oriented technologies for empowerment, the women specific jobs and their perspectives have to be identified. The author presents the following principles for developing technologies for rural women: (a) to reduce the drudgery in the life of women; (b) to provide employment opportunities to women; (c) to improve sanitation and environmental conditions; (d) to improve the health and nutritional status of women; and (e) to protect women from hazards. The author argues that there is an urgent need to recognize women as the technology makers and as technology users. The main contention is to liberate science and technology from its elite structure and reintegrate rural women in a more equitable development process.

Mary Cherian (2006)has critically examined the global policy and process initiatives of NGOs, the Government and the Corporate Houses in empowering women through ICT. The study is based on the case studies of women in countries like India, Bangladesh, Guyana, Africa, Zimbabwe, Uganda who gained tremendously by increased accessibility to internet connectivity. The author has suggested some strategies to overcome barriers to use and assess to ICT for women with special reference to India which includes: (a) taking issue of women empowerment through ICT as a priority issue, (b) necessity of a rights-based approach to ICT policy, (c) Adopting of ICT policy which fit to the needs of women i.e. ICTs should be made more "women friendly", (d) Addressing language options in the centre of policy decisions, and (e) providing of incentives for the enrollment of girls in ICT programs.

Roman Kumar and Rajesh Kochher (2011) have illustrated the effective usage of technology for small-scale industries, which are promoted by women under self-employment scheme. The authors have found that the IT based micro-enterprises by the self-help groups of poor women have helped the demystification of the common man that a few elite ones in the society are the only beneficiaries of the powerful IT. They have begun to consider IT as a tool for attaining knowledge and development by everyone. Further, the author opines that the strategy to encourage the participation of the poor women in the digital revolution is expected to reduce the gap in digital and gender divide. The authors have concluded that the economic empowerment of women via IT enables them to challenge discrimination and overcome gender barriers.

PadminiChattu (2013)have highlighted that the role of Mobile Technology in the field of women empowerment. The authors have stated that not only for communication, women are also using the mobile for different ways: to be safe in times of difficulty, as a media connector with current updates in day to day and as an e-learning device to become literate. Further, the authors have recommended that IT can be applied in the empowerment of rural women through imparting virtual classroom education, providing training on Internet and email services, developing a web based information system about the SHG and they can be popularized in papers, magazines and internet, which acts as a motivational factor. Furthermore, the study has recognized that the scaling of women-centered mobile programs and applications can only be achieved with improved financial, commercial, and marketing incentives and of course, cooperation.

Arivanandan (2013) has analyzed the socio-economic inclusions of rural women through the two kinds of information and communication technologies i.e. cell phones and internet in rural areas. For the empirical study, the author has selected 60 women, aged between 15 and 30 years from Trichirappalli District of Tamil Nadu. The author has found that the accessibility of cell phones is creating decision-making capacity and economic liberalization to women in the study area. Further, most women now search for jobs by using cell phones and personal contacts. This ability to get jobs means that rural women are earning money, which can go towards the cost of their marriage and that of their siblings.

As a contrast, the study revealed that accessibility to the internet by rural people did not reach the expected level because of lack of infrastructure facilities, erratic electric power supply and internet connectivity, low levels of education and the economic condition of the people.

Objectives of study:

1) To investigate women's empowerment through ICTs in rural areas.
2) To identify the barriers of usage of ICTs by women.
3) To examine the role of the Government and the NGOs in promoting the IT sector for women's development.
4) To suggest strategies to overcome barriers and offer some practical suggestions for policy makers to improve women's access to ICT.

Research methodology:

Data used in this study is secondary in nature and is collected from various sources such as journals, periodicals, articles, books, reports, websites etc.

Application of Information Technology in women empowerment of rural areas:

There is a growing body of evidence on the benefits of ICT for women's empowerment, through increasing their access to health, nutrition, education and other human development opportunities, such as political participation. Women's sustainable livelihoods can be enhanced through expanded access of women producers and traders to markets, and to education, training and employment opportunities. By using one of the most important democratizing aspects of the Internet-the creation of secure online spaces that are protected from harassment-women are enjoying freedom of expression and privacy of communication to oppose gender discrimination and to promote women's human rights (Chat Ramilo 2005).

Access to information:

ICT can deliver potentially useful information, such as market prices for women in small and micro-enterprises. For example, use of cellular telephones illustrates how technology can be used to benefit women's lives, by saving travelling time between the market and suppliers, by allowing women to call for product prices and by facilitating the constant juggling of paid and unpaid family activities.

Empowerment through employment:

According to Data Quest's Best Employer Survey 2012, the percentage of women employed in the IT industry in India has actually decreased from 26% in 2010 to 22% in 2012 (Sharma, 2012) even though the number of jobs created in this sector continues to increase annually. Again, these statistics most likely point to a larger number of males available for employment than females and therefore a larger proportion of men being employed, but they also show that the number of women employed in the IT sector is not significantly increasing.

Considering, then, how important the IT industry may be for the employment of young female professionals and if it is not now, it will be soon, the responsibility to create nondiscriminatory and comfortable workplace environments should fall heavily on the largest and most economically significant companies in the software sector, as they have the opportunity to set precedents not only for the rest of the industry but for Indian employers as a whole.

However, ICT has played an important role in changing the concept of work and workplace. New areas of employment such as teleworking, i.e. working from a distance, are becoming feasible with new technology. As a result, a high proportion of jobs outsourced by big firms are going to women, therefore, work from outside the office, often from their own homes and at any time, thereby raising their incomes to become more financially independent and empowered.

Empowerment through Internet and E-commerce:

The internet can offer great assistance to women entrepreneurs. It offers databases, put together by women's groups, from which women can find relevant links, connections, resources and information and develop partnerships, not just for their services, but also for financing, mentoring and business coaching. It can even mitigate the effect of lack of access to capital. Support groups can be formed through electronic bulletin boards. Thus, the internet itself can help to organize and build solidarity with and between people working from home offices. It can break down isolation, aid job related concerted action, or just increase information, opportunities and interaction.

Rural women in developing countries may be able to sell their products directly without going through intermediaries. One of the most powerful applications of ICT is electronic commerce. E-commerce refers not just to selling of products and services online but also to the promotion of a new class of ICT-savvy women entrepreneurs in both rural and urban areas. E-commerce initiatives can link producers and traders directly to markets at national, regional and even global levels, allowing them to restructure their economic activities and by pass intermediaries and the male-dominated and exploitative market structure.

Barriers to use and access of ICT's for women:

1) Lack of clear National Policy for promoting ICT for women's development.
2) Poor ICT infrastructure, inefficient telephone services, lack of electricity in many remote, far-flung areas, and frequent power cuts.
3) Lack of or limited computer skills on various areas including hardware and software installation and maintenance, internet and non-internet based skills such as telnet, FTP, mailing etc.
4) Little awareness of the full range of opportunities offered by ICT other than access to information.
5) Limited online information in languages other than English.
6) Women's time is at a premium. The barrier to ICT use includes the issues of information overload and the time consumed in searching for useful and practical information.
7) Social and cultural barriers.

Role of Government and NGO sector:

Keeping in view the plight of rural women, who are more unaware of new technologies than their urban counterparts, government is providing special packages for them, who are involved in home based or small-scale activities related to handloom, handicraft, sericulture, etc. From identification of projects to the marketing of products, these packages are helping women entrepreneurs largely. Government of India is in the process of establishing Community Information Centres (CIC) at all

block levels, which are designed as the prime movers of ICT in the most economically backward and geographically difficult terrains. CICs are supposed to provide multipurpose information on health, education, social welfare and small-scale industry, etc. This might prove to be a "shot in the arm" for the rural women that can boost their economic and social status.

SITA (Studies in Information Technology Applications) is a women empowering project that aim to educate low-income women in Information Technology, and trying to change the deeply rooted discriminating attitudes towards women. The project has been successful to that extent it has trained 500 women.

The Self Employed Women's Association (SEWA) has been organizing women in the informal sector in India since 1972. It was one of the first organizations globally to realized the potential of using IT for the productive growth of the informal sector (KinkiniDasguptaMisra, 2004). SEWA has effectively used ICTs to improve the efficiency and reach of its operations. The SEWA Trade Facilitation Centre (STFC) showcase members' products online, facilitates business-to-consumer sales, builds business-to-business links and empowers members to ride the ICT wave. The STFC experience of training rural and urban women in using ICT to gain increased access to markets can offer lessons to women's cooperatives elsewhere in the region. STFC has also introduced a bar-coding access to markets can offer lessons to women's cooperatives elsewhere in the region. STFC has also much needed market research, superior management of inventory levels, greater standardization and thus a more optimal utilization of time and resources throughout the organization thereby helping it to accomplish its fundamental objectives of providing greater livelihood security to its members.

Kudumbasree is a poverty eradication project of the Government of Kerala, being implemented in the state through the local bodies since 1998. The project gives importance to women and children from Below Poverty Line (BPL) families and is being implemented through neighborhood groups, which are formed by 15 to 40 members Kudumbasree encouraged and trained the poor educated women from the neighborhood groups to form enterprise groups to set up micro-enterprises based on ICT applications. Each group was motivated to set up micro-enterprises for data entry, data processing, and IT education. The most important and positive factor-favouring women's entry into IT industry has been the support from Kudumbasree officials in the form of financial, technical and managerial help. The major help came in the form of training in both hardware and software. This gender focused, interventionist ICT initiative involving significant state intervention brought about positive changes to livelihood outcomes and empowerment of economically poor women.

Under the rural e-Seva centers, initiated by the Government of Andhra Pradesh in West Godavari District, web-enabled rural kiosks were established to provide a large number of citizen services. Initially the project started in all 46 mandal headquarters in the district, with the first women's e-Seva center opening in June 2012. Out of the 46 bigger e-Seva Centers at mandal headquarters, 20 are managed by women. Women from SHGs took loan to set up this initiative and all these centers are running profitably.

Strategies to improve women's access to ICT:

1) Equitable access to ICT technology and the autonomy t receive and produce the information relevant to their concerns and perspectives are critical issues for women. They therefore need to be involved in decision-making regarding the development of new technology in order to participate fully in its growth and impact. Access and costs being some of the greatest barriers for ICT use, it is of the utmost importance to engage women and gender advocates in the policymaking process and dialogue. It is important engender ICT policy to ensure that women, particularly rural and poor women, benefits from ICT.

2) There is need to use a rights-based approach to ICT policy development, where everyone has the right to affordable access to ICTs. Only then, can we work toward securing universal access to ICTs and consequently promote and facilitate the use of ICTs for women's empowerment.

3) Personal ownership of ICT is not feasible in the foreseeable future for the vast majority of women in developing countries. Hence, the question of where and how they can gain access to ICT becomes important. This is an area where intermediary organisations can help bridge the 'last

mile' of connectivity. They can ensure that email accounts, bulletin boards, search engines, mailing lists, and other useful functions serve as communication, networking and collaboration channels among women's groups, and between women and the external sphere. In order to facilitate access for women from other classes and sectors, these intermediary organizations need to be strategically located in local institutions to libraries, women's studies departments and institutes, community centers etc.

4) The potential of ICT for women in developing countries is highly dependent upon their levels of technical skill and education and is the principal requirement for accessing knowledge from the global pool. Government and NGOs need to impart technical education on the use of ICT as a part of both formal and informal education system and to initiate distance learning and vocational courses. It needs to be realized that information and communication technology by itself cannot answer all the problems facing women's development, but it does bring new information resources and can open new communication channels for marginalized communities.

5) Promote the enrollment of girls in ICT programs by providing incentives such as scholarships and awareness raising activities.

6) Language access must be addressed as a serious barrier to gender equity on the international ICT policy level. Language options have to be taken as a political issue, an issue that must be in the policy decisions.

7) ICT policy must rest on the understanding that technology must be adopted to fit the needs of women. The key issue is that the technologies should be adapted to suit women rather that that women should be asked to adapt to suit the technologies. Most policymakers are proceeding on the second premise. If they can be encouraged to think and act in terms of the first premise then we will ensure that ICTs become more "women friendly" in terms of cost, access, applicability in different fields, etc.

8) Last but not the least, when policies and programs are in place to improve access, paucity of funds should not be a hindrance to establishing ICT access points or even implementing telecenter-type programs. As UN studies have indicated, though the costs of using ICTs for development may be high, not using them at all may prove to be costlier.

Conclusion:

The gamut areas in which ICT can put a greater control in the hands of women is wide and continuously expanding, from managing water distribution at the village-level to standing for local elections and having access to lifelong learning opportunities. ICT have the potential to reach those women who hitherto have been not been reached by any other media, thereby empowering them to participate in economic progress and make informed decision on issues that affect them.

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