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**An Autonomous College Affiliated to Bharathiyar University  
(Re-Accredited with “A” Grade by NAAC), Coimbatore**



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**A STUDY ON EMOTIONAL INTELLIGENCE IN RELATION TO WORK-LIFE BALANCE  
AMONG PROFESSIONALS IN THE INDUSTRY OF INFORMATION TECHNOLOGY WITH  
SPECIAL REFERENCE TO COIMBATORE CITY**

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### **Abstract**

*Emotional intelligence is a psychological character that describes how effectively an individual identifies, understands, regulates the emotions and then uses it in problem solving thereby making decisions. A joy or sorrow in a human life is like the sides of the coin. The degree of intelligence of the people differ from person to person. Some of them are masters in managing their their emotions, some may not be able to manage their emotions. usually, mastery doesn't get angry even in stressful situations, instead they have the ability to look at a problem and calmly find a solution. The present paper aims to investigate the level of emotional intelligence, stress and work performance of faculty members. Performance is defined as the outcomes and accomplishment valued by the organization or system that one works in each individual is exposed to a level of emotional intelligence and a range of stressors both at work and in their personal lives which ultimately affect his or her performance in their work place. Pressure at work can be positive leading to increase performance. However when the pressure becomes excessive it may negatively affect work attitude and behaviour of the employees in the workplaces. It is conclude that the possession of high emotional intelligence is more important when managing stress and emotions at workplace.*

### **Introduction**

Human beings are social beings and hardly ever live and work in isolation. We always plan, develop and manage our relations both consciously and unconsciously. The relations are the outcome of our actions and depend to a great extent upon our ability to manage our actions. The whole context of Human Resource Management revolves around this core matter of managing relations at work place. Emotional Intelligence is a set of qualities and competencies that captures a broad collection of individual skills and dispositions, usually referred to as soft skills or inter and intra-personal skills, that are outside the traditional areas of specific knowledge, general intelligence, and technical or professional skills. Emotions are an intrinsic part of our biological makeup, and every morning they march into the office with us and influence our behavior. They consist of five factors: Knowing one's emotions, managing emotions, motivating oneself, recognizing emotions in others, and handling relationships Goleman (1995). A form of intelligence that involves the ability to monitor one's own and others' feelings and emotions, to discriminate among them and to use this information to guide one's thinking and actions. Emotional intelligence improves individual and organizational performance. It plays a significant role in the kind of work an employee produces, and the relationship he or she enjoys in the organization.

Work - Life Balance is a challenging issue for IT leaders, managers and has also attracted the attention of researchers. Work/life balance, in its broadest sense, is defined as a satisfactory level of involvement or 'fit' between the multiple roles in a person's life. There is very little research

conducted on Emotional Intelligence in relation to Work – Life Balance and it is very important to explore and intensify research in this area. Various research studies have unraveled that the leaders with higher emotional intelligence see changes as opportunities for something better, and they do not cherish stability but ongoing development of individual workers and of the organization itself become their prime agenda. This phenomenon of paradigm shift has led many researches in the area and the present one is also an attempt in the line.

### **Objectives**

- To identify what aspects of work interferes with personal life, also the factors that which has impact on the work-life balance.
- To find out the emotions of the employees if there is no proper balance of work life with family life.
- To find out the relationship and influence between emotional intelligence and work life balance.

### **Research Methodology**

The process of systematically solving a research problem is set to be research methodology. It is a science of studying how research is done scientifically and the various steps that are generally adopted by the researchers in studying the research problem.

### **Source of Data**

#### **1. Primary data**

Primary data has been collected through survey method using questionnaire as the tool.

#### **2. Secondary data**

Secondary data has been collected from journals and research articles.

#### **3. Sample size**

A sample of 150 IT employees were surveyed in random from various levels of management.

#### **4. Area of study**

The study has been confined to Coimbatore city.

#### **5. Statistical analysis**

Percentage analysis, chi square and ANOVA test have been applied to analyse the data collected.

#### **6. Sampling method**

Simple random sampling technique

### **Literature Review**

#### **Studies on Work – Life Balance**

- **Lewis & Humbert (2010)<sup>1</sup>** The most important form of flexible work arrangement used in the organization, four days a week, is double edged and complex in its effects. It supports mothers, but at a cost because of gendered assumptions. Despite a commitment to flexibility and “work life balance”, the gendered construction of the ideal worker and ideas of competence conflated with hegemonic masculinity, remain powerful. This, together with a prevalent “good mother” ideology, undermines both gender equity and workplace effectiveness.

- **Baral (2009)<sup>2</sup>** studied the scope and coverage of work-life balance practices in some of the leading organizations in India. Based on review of literature, empirical study and analyses of reports of news paper articles, research suggests the Indian organizations have to do a lot to treat work-life balance practices as strategic aspect of organizational performance. Organizations offer a lot of benefits in the name of work – life balance. However they do not form an integral part of the companies polices. In knowledge centric organizations like IT and ITES industries where women workforce participation is relatively higher, statutory policies such as maternity leave and benefits are common, while practices such as flexi-time, work from home and part-time work are still yet to pick up pace. Stress management workshops and training programs on work life balance are being conducted by organizations as part of the welfare provisions, but companies do not follow them as regular practices in most of the organizations. Research shows considerable difference between the responses of HR managers and employees. It was found that even though organizations had quite a few work-life balance programs their employees did not recognize so. This finding shows that HR managers have to put more efforts to properly and effectively communicate about the availability of different work-life balance practices in their respective organizations to their employees.
- In a study of 730 managerial employees from various organizations in India, it was found that family contributes extensively to work in terms of enhancing performance and positive emotions at workplace. One of the key findings was availability of work-life balance practices. When an organization offers its employees policies, practices, benefits and services to help them integrate their work and family responsibilities, employees feel committed to the organization and indulge themselves in organizational citizenship behaviors.
- **Golden, Veiga and Simsek (2006)<sup>3</sup>**, around one-third of American employees had entered into telework and telecommunicating work arrangements in the year 2005. Though this arrangement can improve work-life balance, it could have a different impact that reduces Work Family Conflict but increases Family work Conflict, such advancement in the technological environment can have an impact on Work Family Conflict which can be moderated by family size, job autonomy and flexibility.
- **Ferrer and Gagne (2006)<sup>4</sup>** examined in the study that in larger companies and those like information technology and information technology enabled services industries, when compared with the older industries like mining and construction, they implement more family friendly policies that can ease the level of tension between work and life/family.
- **Pyman, Cooper, Teicher & Holland, (2006)<sup>5</sup>** an employee who is engaged and encouraged to participate it leads to better organizational commitment and job satisfaction. When employees are given an opportunity to speak they feel more satisfied, hoping their work-life balance concerns can be expressed and hopefully addressed.
- **Spector, Cooper, Poelmans (2004)<sup>6</sup>** explored that, urban Asians on an average worked for 2,149 hours per annum as compared to 2,068 hour for South Americans, 1,898 hours for North Americans and 1,773 hours in Europe. The lowest work hours per annum were reported by Berlin and Germany at 1,667, with the average worker getting 30 days off every year. Research

has also found a stronger positive relationship between the number of work hours and work family stressors in Anglo countries.

### **Studies on Emotional Intelligence**

- **Sánchez-Ruiz, Jose, Carlos, Prez-Gonzlez and Petride (2010)**<sup>1</sup> Investigated the trait emotional intelligence (trait EI or trait emotional self-efficacy) profiles of 512 students from five university faculties: technical studies, natural sciences, social sciences, arts, and humanities. Using the Trait Emotional Intelligence Questionnaire, it was hypothesized that (a) social sciences would score higher than technical studies in Emotionality, (b) arts would score higher than technical studies in Emotionality, (c) arts would score lower than technical studies in Self-control, and (d) there would be an interaction between gender and faculty, whereby female students would score higher than male students within the social sciences only. Several other exploratory comparisons were also performed. Results supported hypotheses (a), (b), and (d), but not hypothesis (c), although the differences were in the predicted direction.
- **Nelis, Quoidbach, Mikolajczak and Hansenne (2009)**<sup>2</sup> the construct of emotional intelligence (EI) refers to the individual differences in the perception, processing, regulation, and utilization of emotional information. As these differences have been shown to have a significant impact on important life outcomes (e.g., mental and physical health, work performance and social relationships), this study investigated, using a controlled experimental design, whether it is possible to increase EI. Participants of the experimental group received a brief empirically derived EI training (four group training sessions of two hours and a half) while control participants continued to live normally. Results showed a significant increase in emotion identification and emotion management abilities in the training group. Follow-up measures after 6 months revealed that these changes were persistent. No significant change was observed in the control group. These findings suggest that EI can be improved and open new treatment avenues. **Hopkins & Bilimoria (2008)**<sup>3</sup> Explored the relation between emotional and social intelligence competencies and organizational success. The study showed not much of differences between male and female leaders in their demonstration of emotional and social intelligence competencies. It was also found that when it comes to competency demonstration most successful men and women were more the same than different. However gender did play a reasonable role in the relationship between the demonstration of these competencies and success. Further male leaders were considered to be more successful, even though male and female leaders demonstrated the same level of competencies. The four competencies that divided the most successful male and female leaders from their typical counterparts were Self Confidence, Achievement Orientation, Inspirational Leadership and Change Catalyst.
- **Romanelli, Cain, and Smith (2006)**<sup>4</sup> examined a study conducted by Pau et al. in which the EI of dental students and the effect of stress were evaluated. It was found that students with high EI scores were found to have more adaptive coping strategies and better time management skills as compared to who had low EI scores, students with low EI scores were found to have engaged themselves in unhealthy behaviors such as smoking, procrastinating, and withdrawing socially. **Brown, Bryant, and Reilly (2005)**<sup>5</sup> in their study predicted a connection between transformational leadership (TL) and desirable outcomes. They also went on to say that they

would find transformational leadership predicts desirable outcomes. Further they predicted that there would be a positive relation between EI and desirable outcomes, but were not sure if this relation would be a simple relationship or would only emerge after factoring out the effects of transformational leadership. The same authors also predicted that there would be a positive relation with transformational leadership and EQ and a negative relation with contingent reward and with laissez-faire leadership styles. Further they went on to propose by adding EI as well as transformational leadership to a predictive model of desirable outcomes and predicted an interaction effect between EI and TL.

### Simple Percentage Analysis

Simple percentage analysis is carried out for all the questions, given in the questionnaire. This analysis describes the classification of the respondents falling under each category. The percentage analysis is used mainly for standardization and comparison.

### Age of the Respondents

Age	No. of respondents	Percentage (%)
20 to 25 yrs	40	26.7
26 to 35 yrs	50	33.3
36 to 40 yrs	46	30.7
41 yrs and above	14	9.3
<b>Total</b>	<b>150</b>	<b>100.0</b>
Gender	No. of respondents	Percent
Male	53	35.3
Female	97	64.7
Qualification	No. of respondents	Percent
Under Graduation	14	9.3
Post-Graduation	117	78.0
Others	19	12.7

### Source: primary data

From the above table it is evident that out of 150 respondents taken for the study (33.3%) of the respondents belong to the age category of 26 to 35 years. Majority (64.7%) of the respondents are female. Majority (78 %) of the respondents are post graduates.

### Chi -Square analysis

#### Age vs. Emotion

**Null hypothesis:** There is no significant relationship between age and the emotions.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	4.569	6	.600
Likelihood Ratio	5.620	6	.467
Linear-by-Linear Association	.618	1	.432
N of Valid Cases	200		

The significant value .600 which is greater than .05 shows that the null hypothesis is rejected. Hence the age and the emotions when not allowed to attend a family occasion are dependent variables. There is significant relationship between age and the emotions and work.

**Marital status vs. Emotion**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.738	6	.453
Likelihood Ratio	6.757	6	.344
Linear-by-Linear Association	1.941	1	.164
N of Valid Cases	200		

**Null hypothesis:** There is no significant relationship between marital status and the emotions

The significant value .453 which is greater than .05 shows that the null hypothesis is rejected. Hence the marital status and the emotions when not allowed to attend a family occasion are dependent

variables. There is significant relationship between marital status and the emotions and work.

**Gender vs. Emotion**

**Null hypothesis:** There is no significant relationship between gender and the emotions when found fault with.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	9.847	3	.020
Likelihood Ratio	15.301	3	.002
Linear-by-Linear Association	5.998	1	.014
N of Valid Cases	200		

The significant value .020 which is less than .05 shows that the null hypothesis is accepted. Hence the gender and the emotions when found fault with the work carried out are independent factors. There is no significant relationship between gender

and the emotions when the respondent is always found fault with the work.

**Work experience vs. Emotion**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	13.345	8	.101
Likelihood Ratio	14.603	8	.067
Linear-by-Linear Association	.117	1	.732
N of Valid Cases	200		

The significant value .101 which is greater than .05 shows that the null hypothesis is rejected. Hence the work experience and the emotions of the respondents when their seniors react badly for the work carried out are dependent factors. There is significant

relationship between work experience and the emotions of the respondents when their seniors react badly for the work carried out.

**Work Experience vs. methods used for relief from stress.**

**Null hypothesis:** There is no significant relationship between work experience and methods used for relief from stress.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	7.454	6	.281
Likelihood Ratio	7.232	6	.300
Linear-by-Linear Association	.323	1	.570
N of Valid Cases	200		

The significant value .281 which is greater than .05 shows that the null hypothesis is rejected. Hence the work experience and methods used for relief from stress are dependent factors. There is significant relationship between factors considered.

## Conclusion

The world today is undergoing a change in a profound way since the dawn of the modern age. For one, the global job market is demanding more of prospective employees. And the world's best employers are not just pickier – they are seeking top graduates who also have emotional intelligence strengths. Employers require emotional intelligence from their workers, especially as these skills become more critical in a global, diverse workplace. Employees will have to participate in team building and use collaborative, emotional intelligence skills that enhance working on shared goals. "People who have successfully changed their eating habits or career paths often relied on these methods," states Dr. Robert Epstein, United States International University at San Diego Professor. Epstein calls them the "Three M's. Briefly, they are: **M**odify your environment, **M**onitor your behavior, and **M**ake commitments. People, who change their self, change their world, or "stimulus environment." If you become more aware of what you are doing wrong -let's say an annoying bad habit - and start self-monitoring yourself, you can start to perform positively. Just writing down on a piece of paper each time you misbehave or mis-speak can make you focus on changing behavior. Another powerful aid to developing those EI skill areas that you may want to reinforce is to make a commitment to another person, who in turn, will put pressure on you when you don't comply with the area in need of improvement. The really happy news with emotional intelligence maturity building is that we can meet and master improvements in EI with skill techniques not just will power. For workplace success, IQ matters, too – just not in the same way that EI does. IQ remains the best predictor of which level of job someone can hold. For the professions (medicine, teaching, accounting and the like) you need an IQ roughly a standard deviation among the norm – that is, around 115 or higher. But once you are in that position, IQ does not guarantee that you will be outstanding in your performance, nor that you will emerge as a leader. A main reason IQ no longer predicts success once you are on the job is that everyone you are competing with is about as smart as you. That's when emotional intelligence adds great value. The workplace competencies that independent studies have identified as distinguishing outstanding performers and leaders from the average are largely based on emotional intelligence – and as you go higher up the organizational ladder, they have greater and greater value.

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### Further readings: Journals/Articles

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## **FAMILY BUSINESS IN INDIA- TRENDS AND CHALLENGES**

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### **Abstract**

*Family owned business is any business in which a majority of the ownership or control lies within a family. Family is one of the oldest surviving social system (Goode1982) and family business is the oldest surviving economic system. Family businesses exist all over the world for centuries. Families like Tata, Birla, Goenka, Murugappa, Bajaj, Modis, Bangurs, Mafattals, Godrej, Wipro, Ambani are surviving since more than 3 generations successfully. Long term commitment, family bonding, loyalty towards customers and employees, social identity, hands on training experience, risk taking capacity, fast decision making, respect for generations and family culture are some peculiar features of family businesses in India. With 75% of the Indian workforce employed by a family-owned business, how they are run and what are the trends and challenges they face is discussed in this paper. The outcome of the research will throw some lights for the long-term success of the family owned business.*

**Keywords:** Family business, succession planning, entrepreneurship, generation business, trends, challenges, JEL Classification N8,

### **Introduction**

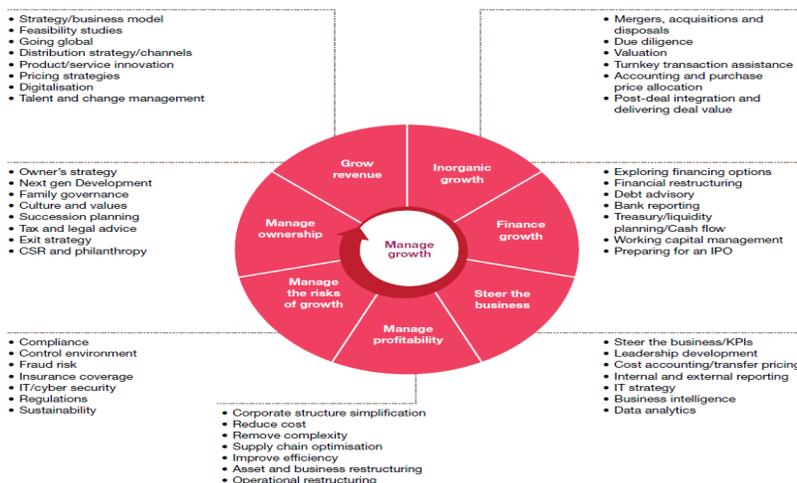
By definition, a family business is one in which the majority of the stake is held by the person who has established or acquired the company (or by his or her parents, spouse, child or child's direct heir) and at least one representative of the family is involved in the management or administration of the business. Around 80% of the world business is controlled by families. Family businesses constitute the largest size in terms of ownership contribute significant to the gross national product (GNP), total industrial employment and total exports of the country. The world's oldest family business is a construction company named 'KongoGumini' of Japan founded in 578 AD and is currently managed by the 40th generation. Some of largest family business firms worldwide are: WAL - Mart (USA) - Sam Walt man Family, Samsung Group (South Korea), Foxconn (Taiwan) and Tata Group (India) India enjoys a rich and glorious history of family business. Many of India's largest and most celebrated companies were nurtured by a small group of promoters and family members. The contribution that such family businesses have made towards the growth of the Indian economy is highly commendable. Indian economy has gone through a roller-coaster ride since the country's Independence. In 1947, India was an open economy but by the mid-1950s, big business was a bad word and soon the government placed regulatory limits on growth of big firms. Public sector firms were at the centre of the economy. Economic policy came a full circle in 1991, as P V Narasimha Rao government unleashed reforms and liberalised the economy. Big businesses and foreign capital were now objects of desire, rather than derision. All through this change, one feature of Indian economy, has remained unchanged - the dominance of family-owned enterprises. Fifteen of the top 20 business groups in 2016 are family-owned. Together, they controlled nearly Rs 26 lakh crore (\$390 billion) of assets at the end of FY16, accounting for 84

per cent of the combined assets of the top 20 business groups. They generated revenue worth Rs 18 lakh crore in FY16, accounting for 80 per cent of the sample combined revenue, demonstrating resilience in the face of dramatic changes in the economy since Independence. But, beneath this apparent status quo, there has been a big churn. Except for a handful, most family-owned groups have fallen by the wayside. Conversely, many of today's top business groups were either very small in the early 1950s or are products of post-Independence economic growth. In India, family businesses range from the small mom-and-pop store (or kirana) to large conglomerates with equally varied business interests. As their growth has skyrocketed, many have stepped outside their zones to acquire companies in new industries and geographies. Their contribution to India's growth is also being increasingly recognized.

1951		1990		2016	
Rank	Business group	Rank	Business group	Rank	Business group
1	Tata	1	Tata (excl ACC)*	1	Tata
2	Birla	2	Birla	2	Mukesh Ambani
3	Martin Bhai	3	Ambani	3	Birla AV
4	Sahu Jain	4	JK Singhania	4	Anil Ambani
5	Bird Heilgers	5	Thapar	5	Vedanta
6	Andrew Yule	6	Mafatlal	6	Bharti
7	Shriram	7	Bajaj	7	L&T
8	Mafatlal	8	Modi	8	Adani
9	Kasturbhai Lalbhai	9	MA Chidambaram	9	HDFC
10	JK Singhania	10	TVS	10	Mahindra
11	Walchand	11	Shriram	11	ICICI
12	Thapar	12	UB	12	OP Jindal
13	Bangur	13	Bangur	13	JSW GROUP
14	Khatou	14	Kirloskar	14	Jaypee Group
15	Indra Singh	15	Walchand	15	Infosys
16	Seshayee	16	Mahindra	16	Wipro
17	Ramakrishna	17	Goenka	17	DLF
18	Kirloskar	18	Nanda (Escorts)	18	Axis Bank
19	Mahindra	19	Laibhai	19	GMR
20	Shapoorji	20	Ruia (Essar)	20	Rahul Bajaj

\*Sources for data for 1990 and 1951 are RK Hazari's The Structure of the Corporate Private Sector: A Study of Concentration, Ownership and Control, Gita Piram al's Big business and entrepreneurship in Seminar, August 2003. 2016 figures based on data from Capitaline database. Financial figures have been adjusted for listed subsidiaries of key group companies. For bank and financial companies networth has been taken into consideration instead of total assets.

### Trends adopted by family business



### Research Objectives

- To understand the trends adopted by Indian family businesses
- To study challenges and problems faced by Family Businesses in India

- To Suggest measures to overcome problems and challenges of Family businesses in India

### **Certain Challenges Remain**

In today's competitive environment, innovation is an essential requirement to survive and thrive. Family businesses in India view continuous innovation as the most challenging aspect over the next five years. Talent issues, technology needs and complying with the regulations are additional challenges that family businesses will have to face over the next five years.

### **Innovation for a Competitive Advantage**

Our survey reveals that 56% of the family businesses in India view the need to continually innovate as a key challenge over the next five years. Innovation is critical maintain their relevance in the changing business environments. In order to innovate successfully, they need to combine their new strategies to broader business goals. In addition to this, these companies need to invest in innovation, promote a culture where mistakes are permitted and also instill in the ranks that innovation is crucial to survival.

### **Retaining Talent**

This is important for any organization. Family businesses believe that attracting the right talent (40%) and then retaining it (36%) is a challenge that will have to be faced in the medium term.

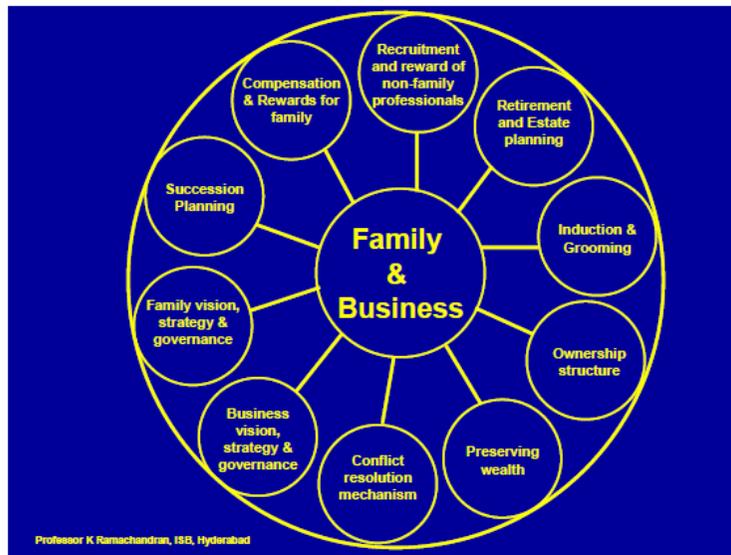
### **Efficient Succession Planning**

Mentoring and developing the next generation of successors and leaders is crucial to the success of family businesses. 22% of our respondents felt that training and preparing the high-potential members of the staff to take up high-level decision-making positions and the ability to survive succession is one of the major challenges awaiting them in the near future.

### **Need for New Technology**

Technological advancements are redefining business models, strategies and the changing industry dynamics. Family businesses are acutely aware of the risks their businesses face if they are unable to either adapt to the new technological advancements or bring in new technologies to enhance the quality of products and services. One-third of the companies interviewed feel the need to constantly keep up with the fast-paced strides technology is taking in turning the older business models obsolete and therefore, the need to invest time and resources in research and development (R&D).

In essence, the most important areas of concern for the success of family businesses appear to be the ten dimensions as listed in Figure 2. These are all interrelated, such as between succession planning and conflict resolution and ownership structure. It is the synergy created by the interactions and reinforcements of these dimensions that help family businesses to perpetuate. While this needs empirical validation as the most important of many dimensions there does not seem to be any dispute on their relevance. We could call them the Ten Commandments of Family Business.



### *Ten Commandments of Family Business*

It is clear from the above discussion that survival and growth of family businesses beyond two or three generations is not always easy. Still, many make it. How do they do it? While perpetuating family business is accepted as possible and worthwhile in the interest of all the stakeholders, and planning tools are available (Carlock and Ward 2001; Lansberg 1999), enough is not known about the dynamics of it happening under different socio-cultural and developmental contexts. Given that the family and business systems remain two different phenomena, it is important and interesting to understand the functioning and performance of family and business systems that have successfully reached fourth generation.

#### **Main issues anticipated in next 24 months**

##### **Key internal issues**

- Staff recruitment
- Cash flow or cost control
- Company re-organization
- Availability of finance
- Profitability or margins
- Capacity or meeting orders
- Technology

##### **Key External Issues**

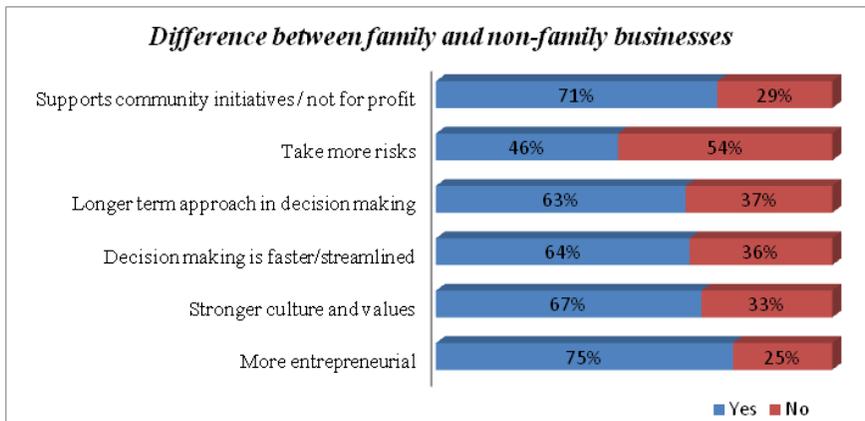
- Market condition
- Govt policy or regulation
- Competition
- Exchange rates
- Fiscal tax regime

- Price of raw materials
- Interest rates

**Challenges for the Family Business**

- Emotions. Family problems will affect the business. Divorce, separations, health or financial problems also create difficult political situations for the family members.
- Informality. Absence of clear policies and business norms for family members
- Tunnel vision. Lack of outside opinions and diversity on how to operate the business.
- Lack of written strategy. No documented plan or long term planning.
- Compensation problems for family members. Dividends, salaries, benefits and compensation for non-participating family members are not clearly defined and justified.
- Role confusion. Roles and responsibilities must be clearly defined.
- Lack of talent. Hiring family members who are not qualified or lack the skills and abilities for the organization. Inability to fire them when it is clear they are not working out.
- High turnover of non-family members. When employees feel that the family “mafia” will always advance over outsiders and when employees realize that management is incompetent.
- Succession Planning. Most family organizations do not have a plan for handing the power to the next generation, leading to great political conflicts and divisions.
- Retirement and estate planning. Long term planning to cover the necessities and realities of older members when they leave the company.
- Training. There should be a specific training program when you integrate family members into the company. This should provide specific information that related to the goals, expectations and obligations of the position.
- Paternalistic. Control is centralized and influenced by tradition instead of good management practices.
- Overly Conservative. Older family members try to preserve the status quo and resist change. Especially resistance to ideas and change proposed by the younger generation.
- Communication problems. Provoked by role confusion, emotions (envy, fear, anger), political divisions or other relationship problems.
- Systematic thinking. Decisions are made day-to-day in response to problems. No long-term planning or strategic planning.
- Exit strategy. No clear plan on how to sell, close or walk away from the business.
- Business valuation. No knowledge of the worth of the business, and the factors that make it valuable or decrease its value.
- Growth. Problems due to lack of capital and new investment or resistance to re-investment in the business.
- Vision. Each family member has a different vision of the business and different goals.
- Control of operations. Difficult to control other members of the family. Lack of participation in the day-to-day work and supervision required.

## Discussion &amp; Suggestions



75% of Indian family businesses have grown in the last 12 months; 84% expect to grow either steadily or quickly and aggressively over the next 5 years. 56% of Indian family businesses feel the need to innovate will be a key challenge in the next 5 years. Only 15% of family businesses have a robust, documented and communicated succession plan. 35% plan to pass on management to the next gen; 48% plan to pass on ownership but bring in professional management.

To make the most of new opportunities, we suggest that leaders of family businesses must be prepared to do the following:

- Acquire the right mix of talent, technology, and innovation to stay ahead of their competitors
- Need to devote more time and resources on entrepreneurship and innovations in existing operations
- Redefine their strategies and goals from time to time, considering whether the strategies they are pursuing will be relevant five years from now
- Cross-verify and check whether they are competent enough to grow their market share, by penetrating into the new markets, and even creating new markets
- Examine their domestic performance thoroughly along with benchmarking with a peer group before taking steps to go global so that when it happens, they are fully prepared to have successful forays in international markets
- Catalyse conversations with mentors, mentees, peers and colleagues.
- Keep program participants engaged with leadership thinking when they return to their workplace.
- Create a common language amongst your colleagues on leadership and management practice
- Keep up-to-date with the latest thought-leadership from the world's leading business schools.
- Drill-down on the original research or even contact the researchers directly
- Measuring and appraising performance
- Shareholders' agreement
- Family council
- Third party mediator

## **Conclusion**

Family businesses in India will continue to play an integral part in the nation's growth story. However, with more and more family businesses looking to run their organisations professionally and with the corporates imbibing some of the ingredients which have helped family businesses succeed, the lines between the two categories are getting blurred. Family enterprises are now much more aware of their standing in the larger scheme of things. It is only a matter of time before family businesses start to collaborate rather than compete, and in the process positively influence government policies and actions in their favour. The government also has a crucial role to play in ensuring that fiscal policies as well as domestic systems support family firms. This includes providing a level playing field especially in terms of access to finance. Family-run businesses can continue to be important drivers of India's overall growth if they are given the right support at the right time.

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## ASSESSING FORCES ON CONSUMER INVOLVEMENT IN PROTECTION AGAINST EXPLOITATION

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### Abstract

*Consumer protection is safeguarding the interest and rights of consumers. The need for empowerment of consumers as a class cannot be exaggerated and is already well recognized all over the earth. The level of awareness of the consumer can be taken as a needle of the progress of a country. The present study aimed to know the assessing forces on consumer involvement in protection in Coimbatore District of Tamilnadu. The necessity of adopting measures to protect the interest of consumers arises mainly due to the helpless position of the consumers. There is no denying fact that the consumers have the basic right to be protected from the loss or injury caused on account of defective goods and deficiency of services. The respondents were selected on the basis of simple random sampling technique. The study concluded that special attention is needed for counseling and guidance mechanisms, training and research in consumer education, complaint handling, product testing labs, and so on.*

**Keywords:** *Consumer, protection, Empowerment, Defective, Rights.*

### Introduction

The consumers are becoming more mature and conscious of their rights against the malpractices by the business. There are many consumer organisations and associations who are making efforts to build consumer awareness, taking up their cases at various levels and helping them to enforce their rights. The business has to serve consumer interests for their own survival and growth. On account of globalisation and increased competition, any business organisation which indulges in malpractices or fails to provide improved services to their ultimate consumer shall find it difficult to continue. Hence, they must in their own long run interest, become consumer oriented. With the growth in rural markets and due to poor knowledge about their rights and also to lack of skills to take a rational decision based on information about the product or services, the rural consumer in India is exploited in many ways. The rural consumer has been made to endure sub standard products and services, adulterated foods, short weights and measures, spurious and hazardous drugs, exorbitant process, endemic shortages leading to black marketing and profiteering, unfulfilled manufacturing guarantees and host of other ills. The rural consumers who generally depend on weekly markets to purchase essential things are often cheated due to lack of choice. Consumer organisations have been active all over the world to promote and protect consumer interests. A number of such organisations have also been set up in recent years in different parts of India. It is felt that neither it is possible to discipline all members of the business community through moral sanctions and a code of fair business practices nor can administrative orders and legislative provisions to ensure consumer protection without the active involvement of consumer associations. Now with an increasing number of consumer organisations involved in consumer

protection, the consumer movement is getting a foothold in India and helping individuals to seek quick and adequate redressal of their grievances.

### **Need for the Study**

Consumer protection is needed to provide better and all-round protection to consumers and effective safeguards against different types of exploitation such as defective goods, deficient services and unfair trade practices. The necessity of adopting measures to protect the interest of consumers arises mainly due to the helpless position of the consumers. There is no denying fact that the consumers have the basic right to be protected from the loss or injury caused on account of defective goods and deficiency of services. But they hardly use their rights due to lack of awareness, ignorance or lethargic attitude. However in view of the prevailing malpractices and their vulnerability there to, it is necessary to provide them physical safety, protection of economic interests, access to information, satisfactory product standard, and statutory measures for redressal of their grievances.

### **Statement of the Problem**

Generally, Indian consumer is poor, ignorant, reflexive, illiterate, unaware, and helpless. Due to illiteracy, unawareness, traditional or reflexive outlook consumer is being exploited in unusual ways. Especially, the rural consumers in India are usually ignorant and they are also unorganized. Thus, they are exploited by the manufacturers, sellers and the service providers in dissimilar ways. The rural consumers are not only scattered but also diverse and heterogeneous. As a result of globalization and liberalization the rural market in India is the largest potential market in the world. The manifestation of consumer desert are evident in the adulterated food the people eat, the spurious, unsafe and substandard product the people buy, the repeated shortage of essential commodities accompanied by black marketing and profiteering, the hazardous drugs banned in some of the countries that are pushed through the counter, the glossy, unethical and manipulative advertisements.

### **Objectives of the Study**

1. To know the assessing forces on consumer involvement in protection in Coimbatore District of Tamilnadu.
2. To give suitable suggestions for better ways and means for consumer protection.

### **Materials and Methods**

Wahidul Habid and Gazi Salah Uddin (2008) provided an insight into the awareness and perception towards consumer rights in Dhaka City, Bangladesh. The study revealed that 84% of the respondents had never heard about consumer rights and only 16% of them found aware about the consumers' rights. A large of number of respondents i.e. 84.7% had never heard about CAB, however, most of the respondents (86%) were aware about the role of BSTI. The television and news paper were good source of information. Partap Singh and Joginder Grewal (2013) concluded that even than several laws meant to protect consumers against such unfair trade practices, false and misleading advertisements continue exploit the consumers. If the hour is improved laws in keeping

with the times, better enforcement, curative advertisements better self-regulations by industry independent regulator to regulate health and children - related advertisements. Outdated laws, deprived enforcement of them are some of the lacunas in order to control advertising. Nature, women, the youth and the rural populations, all need to be accommodated in any planning ahead for a sustainable, healthy and meaningful life for India's 'tomorrow' consumers. Procedural simplicity and speedy and inexpensive redressal of consumer grievances as contained in the Consumer Protection Act are really unique and have few parallels in the world. Execution of the Act reveals that interests of consumers are better protected than ever before. However, consumer awareness through consumer education and actions by the government, consumer activists, and associations are needed the most to make consumer protection movement a success in the country. Positively, television programmes have begun to discuss the problems of consumer protection and consumer's movement and a separate cell for consumer protection has been formed in the Ministry of Food and Supplies. Therefore, the domestic products should be of high quality to attract the interest and build the trust of consumers, and the government should enact certain standards for the quality assurance of not only the domestic but also the imported products.

Methodology is a form to systematically resolve the research problems. It explains the different steps that are normally adopted by the researcher in studying the research problems along with the logic behind it. This study used both primary data and secondary data. For collecting primary data field survey technique was undertaken in the study. The researcher has collected five hundred and thirty samples in Coimbatore district by means of using questionnaires from the different consumers. The respondents were selected on the basis of simple random sampling technique. Factor analysis was used for further analysis.

### Results and Discussions

A correlation matrix was constructed based on the ratings. The analytical process is based on the matrix of correlation between variables. Valuable insights can be gained from an examination of this matrix. If the factor analysis should be proper, the variables must be correlated. If the correlation between all the variables is small, factor analysis may not be appropriate. In the present study, Inter Correlation Matrix shown in following table reveals that the correlation between all the variables are in good fit and hence the factor analysis is very appropriate.

**Table No 1 Correlation Matrix**

Variable	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	1.000															
2	.282	1.000														
3	.271	.167	1.000													
4	.035	.361	.211	1.000												
5	.084	.089	.284	.346	1.000											
6	.054	.238	.183	.431	.188	1.000										
7	.167	.176	.268	.157	.319	.215	1.000									
8	.123	.283	.196	.461	.251	.469	.226	1.000								
9	.101	.142	.229	.330	.400	.259	.282	.360	1.000							
10	.194	.266	.177	.346	.209	.279	.156	.393	.266	1.000						
11	.210	.275	.176	.196	.149	.117	.203	.124	.151	.248	1.000					
12	.052	.252	.133	.324	.174	.371	.059	.347	.178	.347	.240	1.000				
13	.062	.135	.101	.145	.055	.127	.145	.112	.126	.132	.123	.071	1.000			
14	.073	.225	.179	.293	.141	.248	.148	.284	.279	.207	.268	.162	.415	1.000		
15	.031	.177	.113	.276	.226	.212	.160	.318	.284	.226	.144	.282	.243	.352	1.000	
16	.003	.028	.093	.238	.258	.307	.184	.342	.253	.240	.155	.283	.160	.380	.392	1.000

Keiser (1974) suggested that the accepting values greater than 0.5 as acceptable, values between 0.5 and 0.7 are mediocre, values between 0.7 and 0.8 are good. Similarly, the values above 0.9 are very good.

**Table No 2 KMO and Bartlett’s Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	Bartlett's Test of Sphericity		
	Approx. Chi-Square	Df	Sig.
0.838	1806.640	120	0.000

Table No. 2 shows the results of Bartlett’s test of sphericity and Kaiser Meyer Olkin measures of sample adequacy were used to test the appropriateness of the factor model. Bartlett’s test was used to test the null hypothesis that the variables of this study are not correlated. Since the appropriate chi-square value is 1806.640 which are significant at 1% level, the test leads to the rejection of the null hypothesis. The value of KMO statistics (0.838) was also large and it revealed that factor analysis might be considered as an appropriate technique for analyzing the correlation matrix. The following communality table shows the initial and extraction values.

**Table No 3 Communalities**

Va. No.	Statements	Initial	Extraction
1	Taking efforts to gather required information before consume	1.000	.557
2	Enquiry before consume	1.000	.572
3	Verifying quality of service during consumption	1.000	.461
4	Verifying the price mentioned in the bill and actual price paid	1.000	.520
5	Demanding the bill for the charge paid	1.000	.607
6	Comparing advertisements with service features	1.000	.489
7	Taking efforts to correct misleading advertisements	1.000	.491
8	Demanding claims after service	1.000	.563
9	Asking for compensation for loss or injury	1.000	.499
10	Pointing out seller’s mistake and asking them not to repeat	1.000	.426
11	Reporting for damages	1.000	.392
12	Reporting for improper services of the service sector organisation	1.000	.519
13	Attending grievances day organised by the service sector organisation	1.000	.606
14	Preserving necessary documents as evidence	1.000	.659
15	Organising people to take steps to correct mistakes	1.000	.465
16	Talking the matter to Consumer Dispute Redressal agency	1.000	.511

**Table No 4 Total Variance Explained**

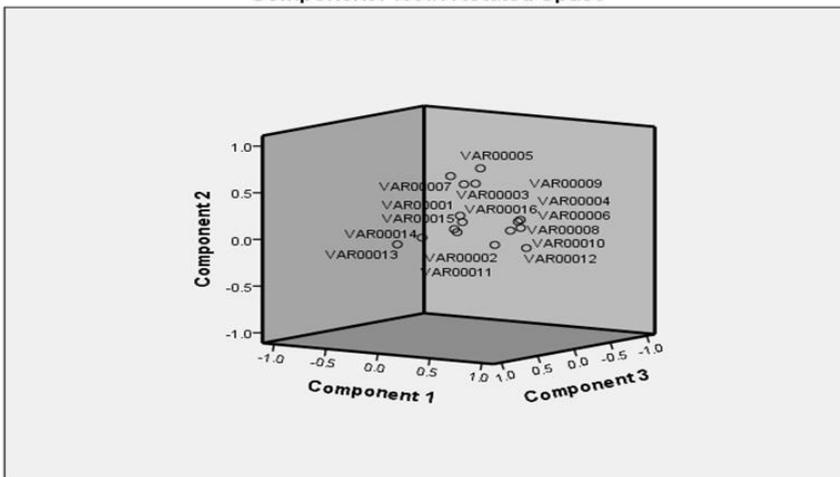
Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.370	27.311	27.311	4.370	27.311	27.311	2.825	17.656	17.656
2	1.438	8.986	36.297	1.438	8.986	36.297	1.957	12.231	29.887
3	1.276	7.973	44.270	1.276	7.973	44.270	1.904	11.901	41.788
4	1.254	7.840	52.110	1.254	7.840	52.110	1.652	10.322	52.110
5	.914	5.710	57.820						

6	.820	5.124	62.944					
7	.781	4.880	67.824					
8	.758	4.735	72.559					
9	.710	4.438	76.997					
10	.680	4.251	81.248					
11	.601	3.755	85.003					
12	.588	3.673	88.675					
13	.505	3.158	91.834					
14	.468	2.926	94.760					
15	.424	2.653	97.413					
16	.414	2.587	100.000					

From Table No. 4, it was observed that the labeled "Initial Eigen values" gives the Eigen values. The Eigen value for a factor indicates the "Total Variance" attributed to the factor. From the extraction sum of squared loadings, it was learnt that the first factor accounted for a variance 4.370 which was 27.311%, the second factor accounted for the variance 1.438 which was 8.986%, the third factor accounted for the variance 1.276 which was 7.973%, and the fourth factor accounted for the variance 1.254 which was 7.840%. All these four factors put together showed the total percentage of the variance with 52.110.

Chart 1

Component Plot in Rotated Space



**Determination of Factors Based on Eigen values**

In this approach only factors with Eigen values greater than 1.00 are retained and the other factors are not included in this model. The five components possessing the Eigen values which were greater than 1.00 were taken as the components extracted.

Table No 5 Rotated Component Matrix

Variables	Component			
	1	2	3	4
Reporting for improper services of the service sector organisation	.705			
Demanding claims after service	.691			
Comparing advertisements with service features	.672			
Verifying the price mentioned in the bill and actual price paid	.663			
Pointing out seller's mistake and asking them not to repeat	.563			
Demanding the bill for the charge paid		.741		
Taking efforts to correct misleading advertisements		.651		
Asking for compensation for loss or injury		.609		
Verifying quality of service during consumption		.551		
Preserving necessary documents as evidence			.767	

## National Conference on **RECENT ADVANCEMENTS IN BUSINESS PRACTICES**

Attending grievances day organised by the service sector organisation			.752	
Organising people to take steps to correct mistakes			.555	
Talking the matter to Consumer Dispute Redressal agency			.500	
Taking efforts to gather required information before consume				.718
Enquiry before consume	.402			.633
Reporting for damages				.545

Extraction Method: Principal Component Analysis. a. 4 components extracted

The rotated component matrix shown in Table No. 5 is a result of VARIMAX procedure of factor rotation. Interpretation is facilitated by identifying the variables that have large loadings on the same factor. Hence, those factors with high factor loadings in each component i.e. values greater than 0.4 were selected. The statements 2, 4, 6, 8, 10 and 12 were grouped together as factor 1 and accounted for 27.311% of the total variance and have been named as 'noticeable'. The statements 3, 5, 7 and 9 were grouped together as factor 2 and accounted for 8.986% of the total variance and have been named as 'Reputable'. The statements 13, 14, 15 and 16 were grouped together as factor 3 and accounted for 7.973% of the total variance and have been named as 'Avoidable'. The statements 1, 2 and 11 were grouped together as factor 4 and accounted for 7.840% of the total variance and have been named as 'Electable'. Thus, the factor analysis condensed and simplified the 16 statements and grouped them into 4 factors explaining 52.110% of the variability of all the statements. From the analysis, it is evident that out of 16 statements of key factors influencing the consumer protection against exploitation, only four factors are extracted which shows that in the data reduction has been condensed to four factors which gives high level of influence to assess the consumer protection against exploitation. These four variables are called highly influencing factors which influencing the consumer protection against exploitation.

### **Suggestions and Conclusion**

A number of laws have been performed in India to safeguard the interest of consumers and defend them from unprincipled and unethical practices of the businessmen. But, Consumers were very less aware about Consumer Forum and there was huge difference amongst the views of different groups of respondents regarding the working of Consumer Forum. Due to unfair trade practice adopted by manufacturer and seller, consumers have suffered a lot and no decision has been taken in those cases till date. Hence, it is suggested that the government should initiate necessary steps to create awareness on consumer protection Act especially for rural people to provide better and all-round protection to consumers and effective safeguards against different types of exploitation such as faulty goods, lacking services and unfair trade practices. It also makes provisions for simple, speedy and inexpensive machinery for redressal of consumers' grievances. The study concluded that special attention is needed for counseling and guidance mechanisms, training and research in consumer education, complaint handling, product testing labs, and so on. Protecting the interest of consumers is one of the most important concerns of the both state and central Government. Several policies and legislations should be implemented by the both governments. It is essential to promote the concerns of the consumers and grant them the rights of safety, choice, information and redressal.

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## **STUDY ON EFFECTIVENESS OF APPLIED PSYCHOLOGY AMONG EMPLOYEES**

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### **Abstract**

*Psychology has been extraordinarily successful at attracting the next generation of social scientists into the discipline. The growth of interest in psychology during the past three decades is most striking when compare psychology to social science disciplines of sociology, political science, and economics. The project was carried in order to analyse and interpret the psychological status of the employees of Rentokil India Pvt. Ltd., Coimbatore. For the purpose of analysis the statistical tool - Percentage Analysis was used.*

**Keywords:** *Applied psychology, Growth of interest, Sociology, Political science, economics, Percentage Analysis.*

### **Introduction**

Psychology has been extraordinarily successful at attracting the next generation of social scientists into the discipline. The growth of interest in psychology during the past three decades is most striking when compare psychology to social science disciplines of sociology, political science, and economics.

It is clear that the field of psychology has grown and changed markedly over the past generation. The field is now in the position of enjoying a powerful flow of undergraduates who are eager to develop careers where they can use their training and follow their interests in psychology. The extraordinary growth of applied psychology, especially in applied areas of business, government, law, health, prevention, social change, and education, signals a momentous change in the role of psychology in society. The most prominent professional associations of psychologists have taken note of this change, and now commit significant time and resources to further the development of applied psychology.

Behavioral and social scientists are encouraged to bring their research results forward to help inform the public and the public policy process about the Decade's four major themes.

- Increasing safety
- Increasing prosperity
- Promoting democracy
- Improving health and education

The goals of this initiative are to educate the public about the importance and relevance of behavioral and social science research, to translate research findings into public policy, to generate new knowledge relevant to current problems, and to recruit the next generation of scholars into the behavioral and social sciences.

## Literature Review

**John E. Mathieu [2007]**<sup>1</sup> examined in their study that the effects of organizational district and team contexts on team processes and performance in a longitudinal cross-level design. As hypothesized, at the team-level of analysis, interdependence related positively to team performance as partially mediated by processes. Moreover, a cross-level mediational relationship was evident between the organizational district-level openness climate and team performance as fully mediated by team processes. In contrast, organizational district-level multi-team coordination unexpectedly exhibited a direct cross-level relationship with team performance. Multi-team coordination also negatively interacted with team processes as related to team performance, in an exploratory analysis. Results were discussed in terms of the importance of considering both organizational-district and team contexts as embedding conditions that influenced team effectiveness.

**James A. Breugh and Jessalyn Arnold (2007)**<sup>2</sup> obtained in their study that the introduction to the use of a matched-groups design as a strategy for controlling nuisance variables. Building on the insightful comments of Campbell and Kenny and of Meehl, the authors utilized Monte Carlo simulations to highlight three major limitations of this control strategy (i.e., regression toward different means, systematic unmatching and the generalizability of results) that they believe had received insufficient attention by researchers. Particular attention was given to how the effect of regression toward different means can result in researchers' drawing erroneous conclusions from their data. Recommendations for researchers considering the use of a matched-groups design were provided.

**Morgeson, et al., (2005)**<sup>3</sup> found in their research that there was considerable variation in how broadly individuals defined their jobs. They investigated the theoretically meaningful yet infrequently studied relationships between incumbent job autonomy, cognitive ability, job-related skill, role breadth and job performance. Using multiple data sources and multiple measurement occasions in a field setting, they found that job autonomy, cognitive ability and job-related skill were positively related to role breadth, accounting for 23% of the variance in role breadth. In addition, role breadth was positively related to job performance and was found to mediate the relationship between job autonomy, cognitive ability, job-related skill and job performance. These results added to our understanding of the factors that predicted role breadth, as well as having implications for how job aspects and individual characteristics were translated into performance outcomes and the treatment of variability in incumbent reports of job tasks.

**Campion, et al., (2005)**<sup>4</sup> evaluated in their study that successful work-design initiatives must overcome many obstacles in order to have their intended impact. This research outlined eight obstacles to work redesign: (1) influences on multiple outcomes, (2) trade-offs between different approaches, (3) difficulty in choosing appropriate units of analysis, (4) difficulty in predicting the nature of the job, (5) complications from individual differences, (6) job enlargement occurring without job enrichment, (7) creating new jobs as part of growth or downsizing and (8) differences between long-term and short-term effects. This study examined the nature of these eight obstacles, reviews prior research on this topic and outlined suggestions for managing these obstacles in practice.

**Hossam M. Abu (2002)**<sup>5</sup> obtained in the study that the relationship between job characteristics and work attitudes and behaviors in a non-Western context. Job characteristics (i.e., task variety, task identity, task significance, autonomy and feedback) were tested as predictors of three key work outcomes (i.e., job satisfaction, organizational commitment and turnover intentions) after controlling the impact of some demographic variables and organizational justice. Data were collected from 350 employees working in five different services and manufacturing organizations in Dubai. Consistent with studies conducted in a Western context, a series of hierarchical regression analyses showed that high skill variety and increased feedback led to increased job satisfaction, organizational commitment and decreased turnover intentions. Contrary to Western studies, the study revealed that task identity was positively related to job satisfaction and task significance had functional effects on work attitudes and behaviours.

**Parker, et al., (2001)**<sup>6</sup> reported that the developments in work design theory had not kept pace with the changes occurring in the organizational landscape. They proposed a theoretical framework that specified five categories of work design variables that span individual, group and organizational levels of analysis. Specifically, they proposed an elaborated model of work design that included: systematic consideration of *antecedents* of work characteristics; expansion of the traditional range of *work characteristics* to include aspects salient to the modern context; extension of the range of *outcome variables* beyond the existing narrow focus on affective reactions; analysis of the *mechanisms* or processes, that explained why work characteristics led to particular outcomes and consideration of *contingencies* that moderated the effects of work characteristics. They argued that the particular choice of work design variables should be guided by theory and an analysis of the organizational context.

**Shalley, et al., (2000)**<sup>7</sup> reported that survey of 2,200 individuals, the authors examined the degree to which work environments were structured to complement the creative requirements of jobs. Regression analyses indicated that proximal job characteristics were more strongly associated with a combined objective and perceptual measure of job-required creativity than were distal organizational characteristics.

**Edwards, et al., (1999)**<sup>8</sup> evaluated in their study that development of the Job Satisfaction Survey (JSS), a nine-subscale measure of employee job satisfaction applicable specifically to human service, public and non-profit sector organizations, was described. The item selection, item analysis and determination of the final 36-item scale were also described and data on reliability and validity and the instrument's norms were summarized. Included were a multi trait-multi method analysis of the JSS and the Job Descriptive Index (JDI), factor analysis of the JSS and scale inter correlations. Correlation of JSS scores with criteria of employee perceptions and behaviors for multiple samples were consistent with findings involving other satisfaction scales and with findings from the private sector. The strongest correlations were with perceptions of the job and supervisor, intention of quitting and organizational commitment. More modest correlations were found with salary, age, level, absenteeism and turnover.

**Raymark, et al., (1997)**<sup>9</sup> determined in their research one factor that can influence the magnitude of predictive validity of personality tests for selection was the bandwidth of the constructs measured (Ashton, Jackson, Paunonen, Helmes, & Rothstein, Journal of Research in

Personality, 29, 432–442 (1995)). In addition, certain personality characteristics had been shown to be more prevalent in an occupational category (Barrick & Mount, Personnel Psychology, 44, 1–26 (1991)). The results of this study suggested the necessity to perform personality based job analysis within a specific occupational category to properly select a personality measure. Criterion validity coefficients of broad constructs were non significant. However, specific facets identified in a personality based job analysis demonstrated moderate significant correlations. In addition, applicants preferred a more narrowly defined selection test.

**Michael A. Campion (1993)**<sup>10</sup>stated in the study that five common themes were derived from the literature on effective work groups and then characteristics representing the themes were related to effectiveness criteria. Themes included job design, interdependence, composition, context and process. They contained 19 group characteristics which were assessed by employees and managers. Effectiveness criteria included productivity, employee satisfaction and manager judgments. Results showed that all three effectiveness criteria were predicted by the characteristics and nearly all characteristics predicted some of the effectiveness criteria. The job design and process themes were slightly more predictive than the interdependence, composition and context themes. Implications for designing effective work groups were discussed and a 54-item measure of the 19 characteristics was presented for future research.

## **An Overview of Applied Psychology**

### **Understanding of Applied Psychology**

The trends and developments described earlier set the context for the main event. Directly from some of the individuals responsible for advancing scientific psychology and promoting its growth, to learn their views about the progress and promise of using scientific psychology to promote human welfare and social betterment throughout the 21<sup>st</sup> century.

### **Definition of Applied Psychology**

According to John W.Santrock (2010), applied psychology is the use of psychological methods and findings of scientific psychology to solve practical problems of human and animal behavior and experience.

Like all psychologists, applied psychologists are trained in the basic science of psychology. Their unique contributions result from their application of psychological concepts to problems of human behavior (Aamodt, 1999).

### **Statement of the problem**

Psychological research is often conceptualized as being either basic research or applied research. Basic psychological research, usually laboratory based, is conducted to gain a scientific understanding of human behavior, often primarily for the purpose of advancing relevant theories. Applied psychological research is conducted for some additional reasons : to gain a scientific understanding of human behaviors that occur in work and everyday life, or to solve practical problems encountered in daily pursuits. In this research, historical and current trends in cognitive psychology research are presented to demonstrate the rich tradition of applied research among the employees working in Rentokil Pvt Ltd, Coimbatore.

In the first half of the 20<sup>th</sup> century, most psychologists taught at universities and engaged in basic research. However, today about two-thirds of psychologists work in applied settings, such as business, industry, clinics, hospitals, schools, community agencies, or government. Applied psychology is at work when a) an industrial psychologist advises a corporation about improvements in the selection of employees b) an organizational psychologist develops a plan for company restructuring that can facilitate communication and productivity c) an environmental psychologist helps an architectural firm design buildings in which space is used to improve job satisfaction d) a forensic psychologist conducts research on witness testimony and serves as a consultant to an attorney e) an educational psychologist gives psychological tests to a child who is having problems in school and consults with his teachers and parents about ways to improve his academic performance.

Further, Industrial / Organizational psychology involves human resource management. Human resource management is an important aspect of organizational processes. This emanated from the fact that the human resources of an organization and the organization itself are synonymous. A well-managed business organization considers its human functionaries as a major pillar for the success of business and auxiliary to development of firm. Industrial psychology includes job analysis, selection and retention of employees, performance appraisal, and training. For examining the applied psychology status among the employees working in Rentokil Pvt Ltd, Coimbatore, the researcher probed the following questions.

- What extent the practices of applied psychology in various dimensions conferred effectiveness in the productivity of the employees in Rentokil Private Limited, Coimbatore?
- What extent the employees are satisfied towards job in the company?

### **Objectives of the Study**

1. To study the demographic and work profile of the selected sample respondent working in Rentokil Private Limited, Coimbatore.
2. To examine the various dimensions of applied psychology and its effectiveness in Rentokil Private Limited, Coimbatore.
3. To identify job satisfaction of the employee working in Rentokil Private Limited, Coimbatore.
4. To find out the relationship between various dimensions of applied psychology variables.
5. To offer suitable suggestion and recommendation for increasing the effectiveness of applied psychology in an efficient way in the company Rentokil Private Limited, Coimbatore.

### **Data Collection**

For finding the effectiveness of applied psychology, percentage analysis the most important part is data collection.

### **Research Design**

The researcher has adopted descriptive research study since it describes the state of affairs as it exists at present.

### **Sample Size**

A sample of 150 was taken for this study.

### Sampling Technique

The total population of the company in Coimbatore branch is 565. By using simple random technique the researcher took 150 employees for this survey.

### Source of Data

Both primary and secondary data are used for the study.

### Primary Data

The primary data is collected from the respondents through questionnaire. The questionnaire consists of various questions focusing on personal details, work related details and details related to the applied psychology with 10 dimensions viz. knowledge about the organization policy, work environment, work involvement, job selection, remuneration & benefits, personnel evaluation, employee development, inter personal relationship, training and development and job satisfaction.

### Secondary Data

The researcher collected the secondary data from books, journals, web sites etc. The data relating to the company is collected from the personal manual, records and the websites of the company.

### Tools for Analysis

The collected data is analyzed using the methods of simple percentage. The analyzed data is presented using charts and tables.

### Methodology

Research methodology is a way to systematically solve the research problem. It is the science of studying how a research is done. The researcher has explained the methods and steps adopted for achieving the purpose of the study and to arrive at a meaningful conclusion.

### Percentage Analysis

Percentage refers to special kind of ration. It is used in making comparison between two or more series of data. It is used to describe relationship.

$$\text{Percentage analysis} = \frac{\text{No. of respondents}}{\text{Total No. of respondents}} \times 100$$

### Age of the Respondents

An attempt has been made to know the age of the respondents. For the purpose of this study, it has been classified into three categories viz., below 30 years, 30-40 years and above 40 years. The details are furnished in the following table.

**Table 1 Percentage variation between ages of the respondents**

Sl. No.	Age	No. of Respondents	Percentage
1.	Below 30 yrs.	48	32.0
2.	30-40 yrs.	80	53.3
3.	Above 40 yrs.	22	14.7
<b>Total</b>		<b>150</b>	<b>100.0</b>

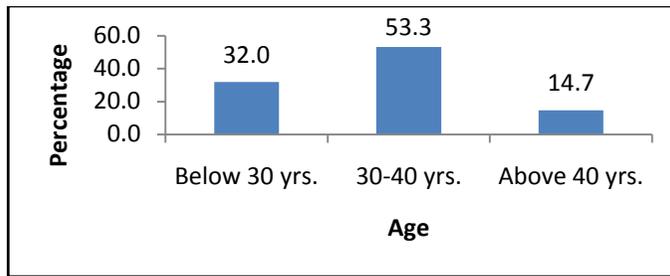


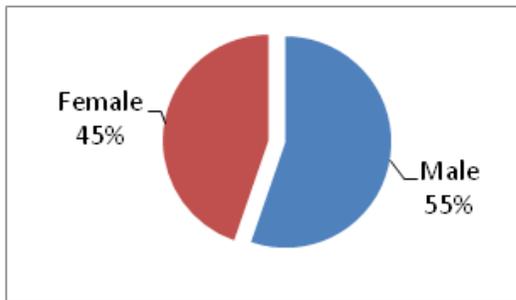
Figure 1 Comparison of age of the respondents

**Gender of Respondents**

An analysis has been prepared to identify the gender of the respondents. For the purpose, it has been classified into two categories viz., male and female. The details are furnished in the following table.

Table 2 Percentage variation between genders of respondents

No.	Gender	No. of Respondents	Percentage
1.	Male	83	55.3
2.	Female	67	44.7
<b>Total</b>		<b>150</b>	<b>100.0</b>



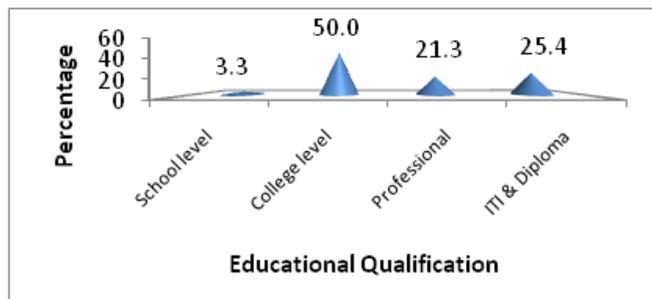
**Educational Qualification of the Respondents**

The following analysis has been discussed about the educational qualification of the respondents. For the purpose of this study, it has been classified into four categories viz., school level, college level, professional and ITI & Diploma. The details are furnished in the following table.

Figure 2 Comparison of genders of respondents

Table 3 Percentage variation between educational qualifications of the respondents

No.	Educational Qualification	No. of Respondents	Percentage
1.	School level	5	3.3
2.	College level	75	50.0
3.	Professional	32	21.3
4.	ITI & Diploma	38	25.4
<b>Total</b>		<b>150</b>	<b>100.0</b>



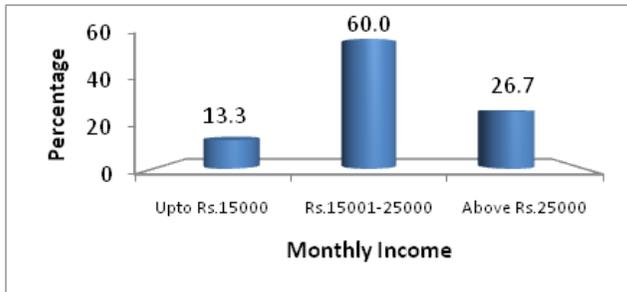
**Monthly family income of the respondents**

An analysis has been prepared to identify the monthly family income of the respondents. For the purpose, it has been classified into three categories viz., up to Rs.15000, Rs.15001-Rs.25000 and above Rs.25000. The details are furnished in the following table.

Figure 3 Comparison of educational qualifications of the respondents

**Table 4 Percentage variation between monthly family incomes of the respondents**

No.	Monthly Income Level	No. of Respondents	Percentage
1.	Up to Rs.15000	20	13.3
2.	Rs.15001-25000	90	60.0
3.	Above Rs.25000	40	26.7
<b>Total</b>		<b>150</b>	<b>100.0</b>



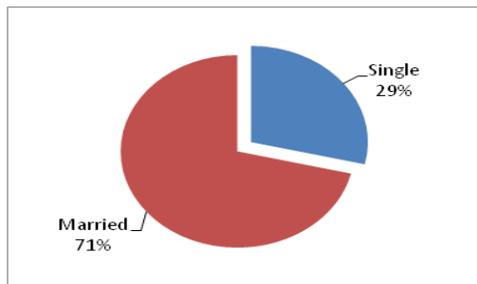
**Marital status of the respondents**

An attempt has been made to know the marital status of the respondents. For the purpose of this study, it has been classified into two categories viz., single and married. The details are furnished in the following table.

**Figure 4 Comparison of monthly family income of the respondents**

**Table 5 Percentage variation between marital statuses of the respondents**

No.	Marital Status	No. of Respondents	Percentage
1.	Single	43	28.7
2.	Married	107	71.3
<b>Total</b>		<b>150</b>	<b>100.0</b>



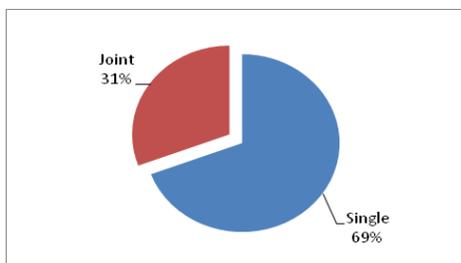
**Family status of the respondents**

An attempt has been made to know the family status of the respondents. For the purpose of this study, it has been classified into two viz., single family and joint family. The details are furnished in the following table.

**Figure 5 Comparison of marital statuses of the respondents**

**Table 6 Percentage variation between family statuses of the respondents**

No.	Family Status	No. of Respondents	Percentage
1.	Single	104	69.3
2.	Joint	46	30.7
<b>Total</b>		<b>150</b>	<b>100.0</b>



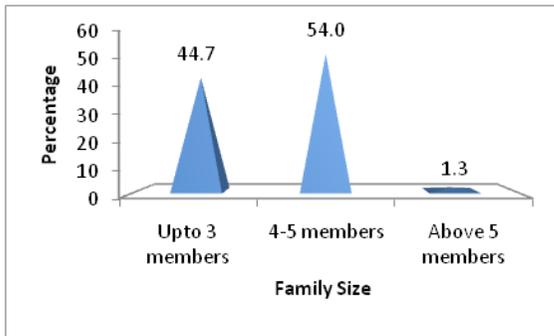
**Family size of the respondents**

The following analysis has been discussed about the family size of the respondents. For the purpose, it has been classified into three categories viz., upto 3 members, 4-5 members and above 5 members. The details are furnished in the following table.

**Figure 6 Comparison of family statuses of the respondents**

**Table 7 Percentage variation between family size of the respondents**

No.	No. of Dependents	No. of Respondents	Percentage
1.	Upto3 members	67	44.7
2.	4-5 members	81	54.0
3.	Above 5 members	2	1.3
<b>Total</b>		<b>150</b>	<b>100.0</b>



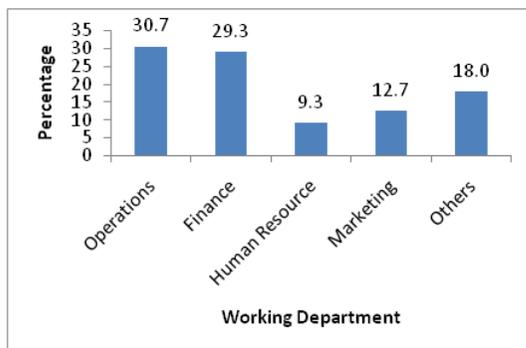
**Working department of the respondents**

An attempt has been made to know the working department of the respondents. For the purpose of this study, it has been classified into five categories viz., operations, finance, human resource, marketing and others. The details are furnished in the following table.

**Figure 7 Comparison of monthly family size of the respondents**

**Table 8 Percentage variation between working department of the respondents**

No.	Department	No. of Respondents	Percentage
1.	Operations	46	30.7
2.	Finance	44	29.3
3.	Human Resource	14	9.3
4.	Marketing	19	12.7
5.	Others	27	18.0
<b>Total</b>		<b>150</b>	<b>100.0</b>



**Designation of the respondents**

An attempt has been made to know the designation of the respondents. For the purpose of this study, it has been classified into four categories viz., supervisors, workers, accountant / clerk and marketing executives. The details are furnished in the following table.

**Figure 8 Comparison of working department of the respondents**

**Table 9 Percentage variation between designations of the respondents**

No.	Designation	No. of Respondents	Percentage
1.	Supervisors	13	8.7
2.	Workers	75	50.0
3.	Accountant / Clerk	38	25.3
4.	Marketing executives	24	16.0
<b>Total</b>		<b>150</b>	<b>100.0</b>

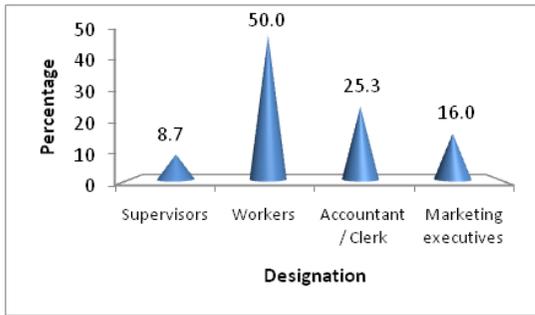


Figure 9 Comparison of designation of the respondents

**Experience of the respondents**

An attempt has been made to know the experience of the respondents. For the purpose of this study, it has been classified into three categories viz., 0-2 years, 3-5 years and above 5 years. The details are furnished in the following table.

**Table 10 Percentage variation between experiences of the respondents**

No.	Experience	No. of Respondents	Percentage
1.	0-2 years	25	16.7
2.	3-5 years	96	64.0
3.	Above 5 years	29	19.3
<b>Total</b>		<b>150</b>	<b>100.0</b>

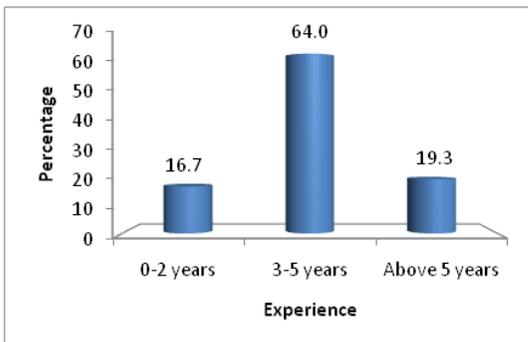


Figure 10 Comparison of experience of the respondents

**Nature of job of the respondents**

An attempt has been made to know the nature of job of the respondents. For the purpose of this study, it has been classified into two categories viz., permanent and temporary. The details are furnished in the following table.

**Table 11 Percentage variation between natures of job of the respondents**

No.	Nature of job	No. of Respondents	Percentage
1.	Permanent	142	94.7
2.	Temporary	8	5.3
<b>Total</b>		<b>150</b>	<b>100.0</b>

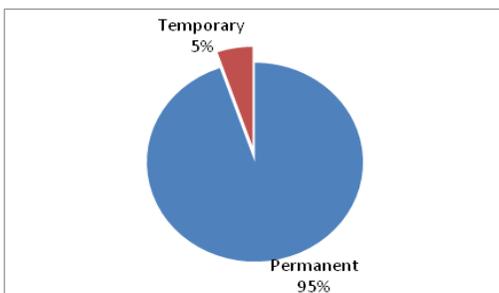


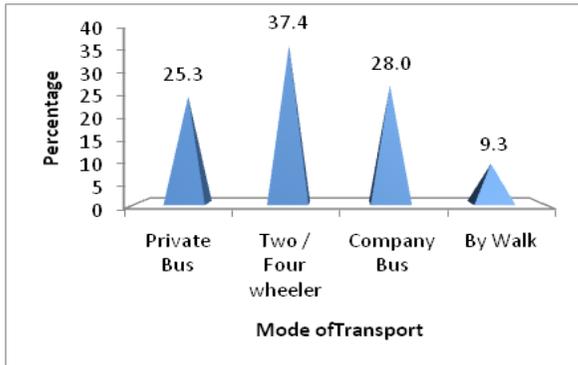
Figure 11 Comparison of natures of job of the respondents

**Mode of transport of the respondents**

An attempt has been made to know the mode of transport of the respondents. For the purpose of this study, it has been classified into four categories viz., private bus, two / four wheeler, company bus and by walk. The details are furnished in the following table.

**Table 12 Percentage variation between modes of transport of the respondents**

No.	Mode of Transport	No. of Respondents	Percentage
1.	Private Bus	38	25.3
2.	Two / Four wheeler	56	37.4
3.	Company Bus	42	28.0
4.	By Walk	14	9.3
<b>Total</b>		<b>150</b>	<b>100.0</b>



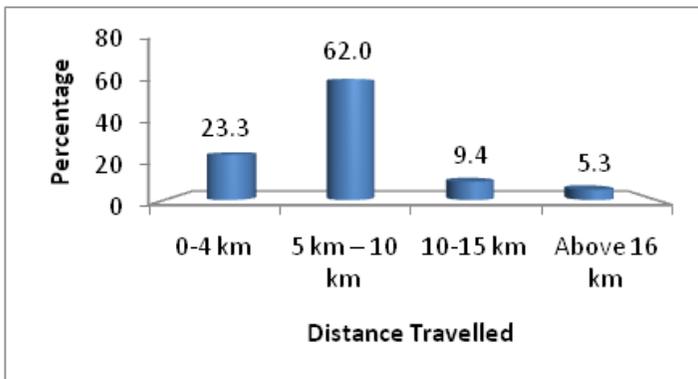
**Figure 12 Comparison of modes of transport of the respondents**

**Distance travelled to work**

An attempt has been made to know the distance travelled to work of the respondents. For the purpose of this study, it has been classified into four categories viz., 0-4 km, 5 km – 10 km, 10-15 km and above 16 km. The details are furnished in the following table.

**Table 13 Percentage variation between distance travel of the respondents**

No.	Distance Travelled	No. of Respondents	Percentage
1.	0-4 km	35	23.3
2.	5 km – 10 km	93	62.0
3.	10-15 km	14	9.4
4.	Above 16 km	8	5.3
<b>Total</b>		<b>150</b>	<b>100.0</b>



**Figure 13 Comparison of distance travel of the respondents**

**Opinion of respondents towards company offered residence**

The following analysis has been prepared to identify the opinion of the respondents towards company offered residence. The details are furnished in the following table.

Table 14 Percentage variation between opinions of the respondents

No.	Opinion	No. of Respondents	Percentage
1.	Yes	16	10.7
2.	No	134	89.3
<b>Total</b>		<b>150</b>	<b>100.0</b>

### Working hours of the respondents

An attempt has been made to know the working hours of the respondents. For the purpose of this study, it has been classified into three categories viz., 6-8 hours, 9-10 and above 10 hours. The details are furnished in the following table.

Table 15 Percentage variation between working hours of the respondents

No.	Working Hours	No. of Respondents	Percentage
1.	6-8 hours	80	53.3
2.	9-10	65	43.4
3.	Above 10 hours	5	3.3
<b>Total</b>		<b>150</b>	<b>100.0</b>

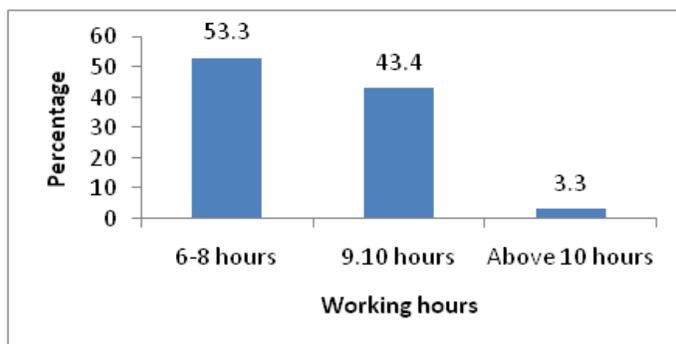


Figure 14 Comparison of working hours of the respondents

### Number of increments received of the respondents

An attempt has been made to know the number of increments received of the respondents. For the purpose of this study, it has been classified into three categories viz., one, two and above two. The details are furnished in the following table.

Table 16 Percentage variation between increments of the respondents

No.	Numbers of increments	No. of Respondents	Percentage
1.	One	77	51.3
2.	Two	70	46.7
3.	Above two	3	2.0
<b>Total</b>		<b>150</b>	<b>100.0</b>

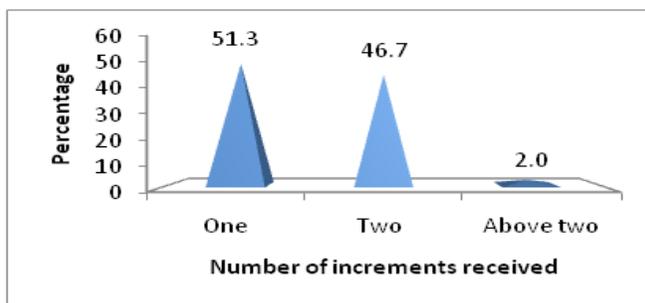


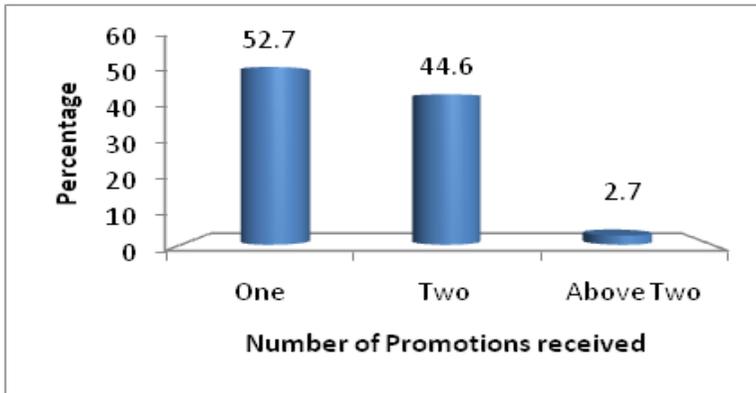
Figure 15 Comparison of increments of the respondents

### Number of promotions received of the respondents

An attempt has been made to know the number of promotions received of the respondents. For the purpose of this study, it has been classified into three categories viz., one, two and above two. The details are furnished in the following table.

**Table 17 Percentage variation between no. of promotions of the respondents**

No.	Number of Promotions	No. of Respondents	Percentage
1.	One	79	52.7
2.	Two	67	44.6
3.	Above Two	4	2.7
<b>Total</b>		<b>150</b>	<b>100.0</b>



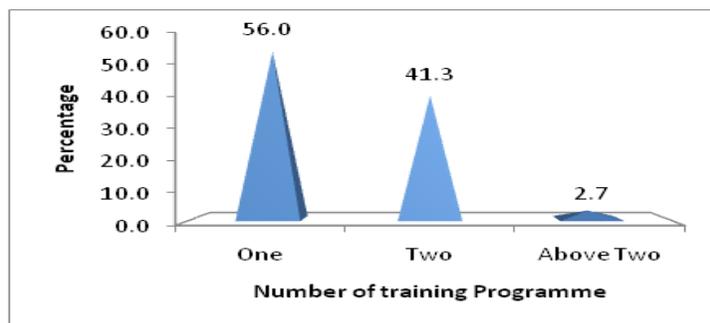
**Number of training programmes attended**

An attempt has been made to know the number of training programmes attended of the respondents. For the purpose of this study, it has been classified into three categories viz., one, two and above two. The details are furnished in the following table.

**Figure 16 Comparison of no. of promotions of the respondents**

**Table 18 Percentage variation between training programmes attended by the respondents**

No.	No. of Training Programmes	No. of Respondents	Percentage
1.	One	84	56.0
2.	Two	62	41.3
3.	Above Two	4	2.7
<b>Total</b>		<b>150</b>	<b>100.0</b>



**Figure 17 Comparison of training programmes attended by the respondents**

**Conclusion**

Conducting applied psychology research involves going through a series of steps that, it is hoped, will help the company to understand better the nature of the phenomenon in practice of applied psychology research study. The type of understanding can range from seeking a detailed description of a given phenomenon, to assessing the strength of the relationship between two variables, to testing predictions about behavior of the employees working in Rentokil Pvt Ltd, Coimbatore.

The role of applied psychology is mainly discussed in this research conducted at Rentokil Pvt Ltd, Coimbatore. For this, applied psychology has categorized into ten heads viz., knowledge about the organization policy, work environment, work involvement, job selection, remuneration & benefits, personnel evaluation, employee development, inter personal relationship, training and development and job satisfaction. Each of the statistical methods available to collect information will help the company to understand the issue of interest in a different way. For every issue, the researcher has given a valuable suggestions and recommendation to

The salient conclusions derived from the study are as follows.

1. It is found from the analysis that the majority (53.3%) of the respondents belong to the age group of 30-40 years.
2. It is observed from the analysis that the majority (55.3%) of the respondents are male.
3. It is inferred from the analysis that the majority (50.0%) of the respondents qualified with college level.
4. It is surmised from the analysis that the majority (60.0%) of the respondents are earning Rs.15001-Rs.25000 per month.
5. It is noted from the analysis that the majority (71.3 %) of the respondents are married.
6. It is determined from the analysis that the majority (69.3%) of the respondents belong to single family.
7. It is divulged from the analysis that the majority (54.0%) of the respondents are having 4-5 members in their family.
8. It is obtained from the analysis that the majority (30.7%) of the respondents are working in operation department.
9. It is found from the analysis that the majority (50.0%) of the respondents who are workers.
10. It is observed from the analysis that the majority (64.0%) of the respondents are having 3-5 years experience.
11. It is determined from the analysis that the majority (94.7%) of the respondents are working in permanent position.
12. It is discussed from the analysis that the majority (37.4%) of the respondents are using two / four wheeler to go for work.
13. It is identified from the analysis that the majority (62.0%) of the respondents are travelling for 5 km - 10km to reach their company.
14. It is stated from the analysis that the majority (89.3%) of the respondents opined that company not offered residence.
15. It is found from the analysis that the majority (53.3%) of the respondents are working for 6-8 hours.
16. It is observed from the analysis that the majority (51.3%) of the respondents have received one increment.
17. It is inferred from the analysis that the majority (52.7%) of the respondents have received one promotion.
18. It is obtained from the analysis that the majority (56.0%) of the respondents attended one training programme.

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## ENGAGE AND ALIGN YOUR WORKFORCE TO DRIVE POWERFUL RESULTS THROUGH PERFORMANCE MANAGEMENT

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### Abstract

*Performance management is essential to build a productive and engaged workforce. Performance management solutions enable you to automate appraisals, close skill gaps, and manage career and succession plans. With these critical capabilities in play, you can quickly align your talent pool with your overall business goals.*

*Performance management solutions offer full-featured functionality and deployment options to cover your specific business requirements*

- *This enables to integrate development goals with the performance appraisal process.*
- *The solutions automate the performance review process that link to your compensation programs for a more practical and efficient approach to engaging and rewarding employees.*

*Performance management solutions also give you cascading goal functionality that transforms each employee's goals into an individual scorecard, along with dashboards that provide administrators with greater insight into talent gaps.*

- *We even tackle the mobility challenges, so your on-the-go workforce always maximizes productivity.*
- *It offer the flexibility for today's businesses demand.*

### Introduction

Feedback from focus groups, survey and the EAC and design teams indicates:

Employees want to know what's expected of them, employees want Managers to be trained

- The resolutions resulted in the following:
- 4 vs. 3 Performance Ratings
- Model, Strong, Developing & Unacceptable
- Simpler performance management tool
- Link between salary and Performance Rating
- These Initiatives required that we revisit our approach to Performance Management
- The *tool* we use for Performance planning and performance evaluation has changed
- Today is all about **Performance Planning**

### Who Does Performance Planning?

Reviewer and Supervisor take the lead in creating the Performance Plan and both should agree on the final plan *before* it is shared with the employee. Employee who has been in the job any length of time should be consulted and have input into the planning.

### Position Description First!

The first step in completing the Performance Plan is to review the Position Description to ensure it is up to date and accurate.

**Job Description Writing**

A task is the simplest/most basic element in the job, Job duties are a summary of related tasks, Job responsibilities are a summary of related job duties. A job can typically be described using 3-5 responsibilities. Each responsibility should be no more than 2-3 sentences.

**How is the Position Description used?**

Establish/change/update a position, Fill a vacancy – recruiting, Classification To identify legal requirements for the position(i.e. FLSA; CDL; Criminal History Check; Medical exam; driver’s license)AND as a basis for the Performance Plan Working from “Job Duties” in People Admin (formerly “Core Responsibilities”)

**What Are the Steps to Create a Performance Plan?**

- Identify key goals/responsibilities and define your expectations
- Select appropriate competencies for the position
- Meet with the employee to get their input
- Establish *career* development plan
- Review the plan with the reviewer
- Meet with employee to review the final plan and obtain their signature

**Creating Performance Metrics**

- For each goal, you need to define 1- 3 metrics that define what is expected to earn a strong performance rating
- It is difficult if not impossible for an employee to be successful if they do not know their manager’s expectations
- These metrics are how you and the employee will measure success

Performance Goal and/or Job Responsibility	Results & Accomplishments	Rating
<p><b>Train managers on the new performance planning process with emphasis on goals &amp; metrics:</b></p> <ul style="list-style-type: none"> <li>• Complete all training no later than November 30, 2008.</li> <li>• The overall average rating on participant evaluations is a 3 out of 5. (Indicates that, overall, participants have a basic understanding of the performance planning process and how to write goals).</li> </ul>	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin-bottom: 10px;"> <p>← This is the Goal</p> </div> <div style="border: 1px solid black; padding: 5px; width: fit-content;"> <p>The metrics should define the manager's expectations/ desired outcomes– what does strong performance look like?</p> </div>	<p><input type="checkbox"/> Model Performance</p> <p><input type="checkbox"/> Strong Performance</p> <p><input type="checkbox"/> Developing Performance</p> <p><input type="checkbox"/> Unacceptable Performance</p>

Task, Responsibility or Goal?

- A goal – implement new technology to allow for mail sorting to occur before 9:00AM.

- A responsibility – ensure that mail is sorted by department mail code and distributed to the appropriate mail carrier.
- A task – check off each department mail code on the master checklist when all mail for that department has been sorted.

Defining Goals & Metrics: The SMART test

- Specific – clear and focused
- Measurable – actions/behaviors that can be measured, observed, documented, tracked
- Attainable – achievable, reasonable
- Realistic/Relevant – within the employee’s control & abilities, resources available
- Timely – establish time frames, turnaround/processing times, deadlines

**Make the Metrics SMART**

- Goal: Achieve a basic understanding of overall department operations.
- Metric: - Attends departmental meetings
- Goal: Manage fiscal matters for the department to meet standards for best practice.

Metric: - Pays all bills

**Group Exercise**

**Developing Goals and Metrics:**

- Using a job in your area, define one goal for this performance review period.
- Define at least one metric for the goal. Metrics should include an action, someone or something acted upon, time frame for completion and a desired *outcome* that is measurable/observable.
- Use the SMART test to check your work.

Be prepared to share an example with the larger group.

**Individual Exercise**

- Spend 10 minutes to define one goal/responsibility for your own job and then define one metric for this goal.
- Remember – OUTCOMES!!

<p>Model Performance Demonstrates leadership in diversity-related activities. Appropriately confronts or corrects negative behavior or comments of others based upon characteristics such as age, color, disability, gender, group identity, sexual orientation or veteran status. Assists members of underrepresented groups to be successful.</p>	<p>Strong Performance Takes advantage of diversity-related trainings or other activities, and takes opportunities to increase awareness and understanding of diversity. Always respectful to others.</p>	<p>Developing Performance Generally demonstrates good-faith efforts to be respectful, but occasionally makes statements about people based on characteristics such as age, color, disability, gender, group identity, sexual orientation or veteran status, or causes a person to be disadvantaged based on any of these characteristics.</p>	<p>Unacceptable Performance Makes negative comments about characteristics such as age, color, disability, gender, group identity, sexual orientation or veteran status, or treats people disrespectfully on the basis of any of these characteristics.</p>
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**People Development** - How effectively does the employee recognize the need for, plan and achieve professional development of subordinate employees?

Model	Strong	Developing	Unacceptable
<p>Has acquired the reputation of a “people developer” as reflected by the competence and versatility of staff. Results of development efforts are clearly observable and measurable. Usually more than one staff member is capable of filling in during supervisor’s absence. Devises and applies unique and challenging means for employees to learn new skills and to demonstrate acquired ones. Advice on development issues is sought by peers.</p>	<p>Can identify specific strengths and weakness of each subordinate. Manages work load so that subordinates are given the opportunity to improve in required areas. Constructs and continually updates a comprehensive development plan for each subordinate. Understands the concept of and applies constructive discipline where warranted.</p>	<p>Is coming to learn the importance of people development in supervision. Efforts are becoming more concentrated on seeking out developmental opportunities for subordinate personnel. Performance in this area may be characterized as transitioning from individual achiever to management of the activities and actions of others.</p>	<p>Subordinate development plans are inadequately constructed and are normally seen as an afterthought, characterized only by superficial efforts on the part of the supervisor. Subordinate staff may complain of the lack of opportunity to expand their purview as it relates to their job.</p>

**Career Development Plan**

- Supervisor’s Responsibility
  - Provide continuous feedback to employee
  - Make training available
  - Provide adequate resources
  - Address programmatic or process inefficiencies
- Employee’s Responsibility
  - Attend trainings
  - Identify needed resources
  - Maintain dialog with supervisor
- Is the Performance Plan Complete?
- Have you collaborated with the employee and agreed that the Goals/Metrics/Competencies are reasonable and clear?
- Have you addressed anything that might get in the way of success or that is needed for employee growth (*career* development plan)?
- Have you met with the Reviewer to ensure your employee’s goals are aligned with the overall unit goals?
- At the End of the Planning Process the **Employee** Should Know

- Responsibilities and Goals
- Expected Completion Dates
- What level of performance is expected
- Criteria to be used to review and evaluate performance – metrics/success indicators
- What development activities are expected
- That the Supervisor is invested in and willing to assist the employee to be successful
- How individual job responsibilities and goals relate to the goals of the work unit and the university
- Not written on the plan, but should be discussed in the meeting with the employee.
- Performance Plan Review Meetings Optimize Success by
  - Providing an opportunity to promote the partnership with the employee
  - Providing an opportunity to identify and develop a plan to address resource and employee development needs
- Creating a clear & mutual understanding of what is expected of the employee and the supervisor during the performance cycle.

### Process Overview



### Follow-Up

- The performance evaluation process is much easier. It is important to communicate with employee throughout the year. See what you expected to occur is tracking with the way you mapped it out in the plan. Key goals/responsibilities can change during the year.
- Performance Management/Coaching Continuous process of monitoring employee performance, providing ongoing feedback, identifying problems, developing solutions with employee. Frequent positive feedback (verbal, written) Acknowledgement of Extraordinary Contribution, Counseling Memo, Notice of Improvement Needed and Written Notices

### Conclusion

By planning properly, you are more likely to increase employee satisfaction and the overall productivity of your work unit while reducing the amount of time you spend during the year dealing with Performance concerns.

## **BANK MARKETING MIX: NEW STRATEGY IN TODAY BANKING SECTOR**

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### **Abstract**

Bank marketing in general and Customer Relationship Management (CRM) in particular are of vital importance for Indian banks, particularly in the current context when banks are facing tough competition from other agencies, both local and foreign, that offer value-added services. The Role of marketing in the banking industry continues to change. For many years the primary focus of bank marketing was public relations. Then the focus shifted to advertising and sales promotion. That was followed by focus on the development of a sales culture. Today banking sector all elements of the marketing concept – customer satisfaction, profit integrated framework and social responsibility are all equally important.

Main principal aspects of Bank Marketing are- Customer Oriented Services, Design & Delivery of Such Services Corporate Objectives of the Bank, Environmental & Other Constraints. The second element in formulation of marketing strategy in banking sector is development of proper marketing mix (product, place, price, promotion, people, process, physical evidence) so as to satisfy the needs of the target group of customers. With the help of 4'Cs (customer solution, customer cost, communication, convenience) use of marketing mix in banking sector is increasing day by day. The bank marketing mix concept is very important for every bank in tough competition. Use of 7'p and 4'c for bank and implementation of these concepts in banking sector shows the Role of marketing in bank in present Era. In bank marketing, marketer uses both "**Collective**" and "**Selective**" approach to attract and convince the target customer .It is the aggregate of functions, directed at providing services to satisfy customers' financial (and other related) needs and wants, more effectively and efficiently .

**Keywords:** Bank Marketing Mix, Social Responsibility, Collective & Selective approaches, Customer Relationship Management.

### **Introduction**

In India, the banking sector is a central component of services sector. Banks are the most common institutions for transfer of funds and investments. Prior to economic liberalisation, public sector banks enjoyed a monopoly over market due to protectionist policies of the government. The liberalization policy of the Government of India in 1991 permitted entry to foreign and private banks in the banking industry, leading to increased competition. Because of increased competition, banks are exploring marketing strategies to differentiate their services from their competitors. For designing effective marketing strategies, knowledge of service marketing mix is essential. This paper examines the role of service marketing mix (product, price, place, promotion, people, process and physical evidence) in Indian banking sector.

### **Marketing Concepts**

Its application to Banking, when we apply marketing to the banking industry, the bank marketing strategy can be said to include the following –

- i) A very clear definition of target customers.
- ii) The development of a marketing mix to satisfy customers at a profit for the bank.
- iii) Planning for each of the source 'markets & each of the use' markets (A Bank needs to be doubly market –

oriented – it has to attract funds as well as were of funds & services. Organization & Administration.

### Marketing =?

Marketing is the sum of all activities that take you to sales. Marketing is all about creating a pull, sales is all about push and about managing the four P's –

- product
- price
- place
- promotion

### Scope - What do we market

Goods, Services, Events, Experiences, Personalities, Place, Organizations, Properties, Information, Ideas and concepts

### Core Concepts of Marketing

Based on:

- Needs, Wants, Desires / demand
- Products, Utility, Value & Satisfaction
- Exchange, Transactions & Relationships
- Markets, Marketing & Marketers

### Bank Marketing

We define bank marketing as follows: –Bank marketing is the aggregate of functions, directed at providing services to satisfy customers' financial (and other related) needs and wants, more effectively and efficiently. This aggregate of functions is the sum total of all individual activities consisting of an integrated effort to discover, create, arouse and satisfy customer needs. This means, without exception, that each individual working in the bank is a marketing person who contributes to the total satisfaction to customers and the bank should ultimately develop customer orientation among all the personnel of the bank. Different banks offer different benefits by offering various schemes which can take care of the wants of the customers. Marketing helps in achieving the organizational objectives of the bank. Indian banks have dual organizational objective – commercial objective to make profit and social objective which is a developmental role, particularly in the rural area.

### Corporate Objectives of the Bank

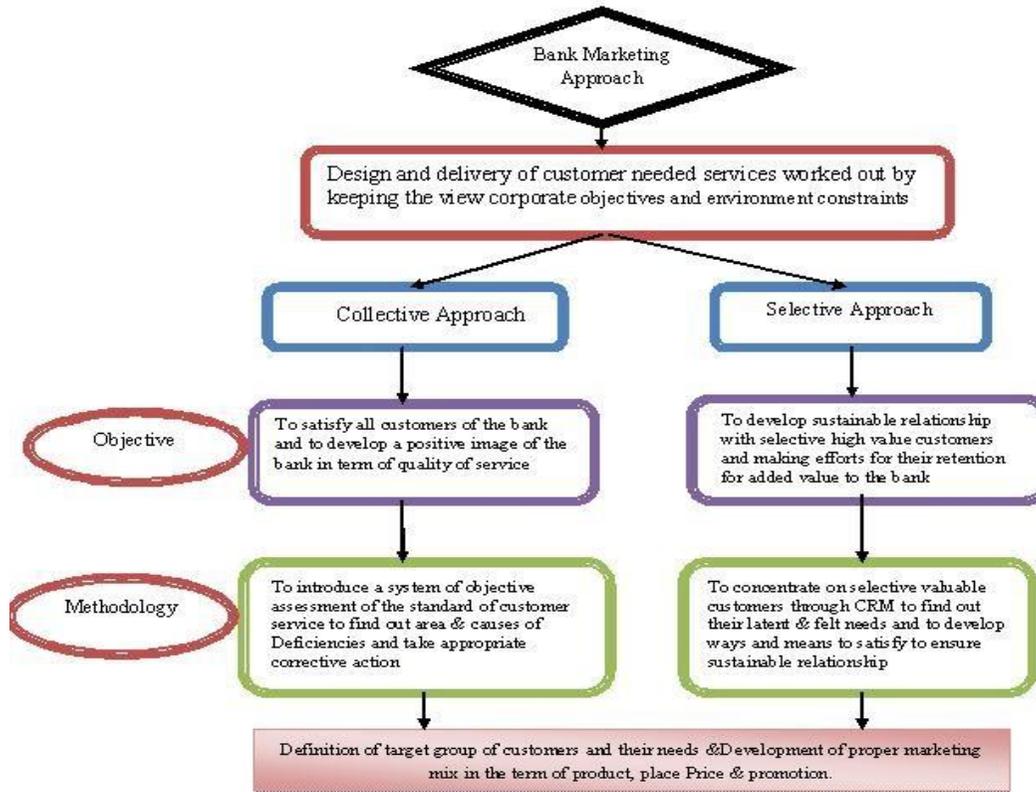
The corporate objectives of the bank are to be worked out within the broad framework of the national policy. The corporate objectives are of two types, Short Term and Long Term.

1. The **Short Term Objectives** could be of the type: -
  - a) Increasing profitability of the bank next year.
  - b) Widening customer base by offering new services,
  - c) Increasing growth rate of credit next year, etc.
2. The **Long Term Objectives** could be: - a) To rise to number one position in five years,

b) To become the universal bank over the period of next 3 years, etc.

Once the corporate objectives are clearly spelt out, various schemes can be designed to fulfill the needs of the customers within the framework of the chosen corporate objectives. Further, the resources made available for systematic marketing efforts are also constrained by policies, vision and attitudes of the management.

The following chart gives an overview of the Two Pronged Approach to Bank Marketing



**Marketing Strategy in Banking Sector**

**Consumer Behavior and Segmentation**

Banks deal with individuals, group of persons and corporate, all of whom have their likes and dislikes. No bank can afford to assess the needs of each and every individual buyer (actual or potential). Segmentation of the market into more or less homogenous groups, in terms of their needs and expectations from the banking industry, provides a solution to this problem.

**Customer Relationship Management**

The marketing strategy consists of a very clear definition of prospective customers and their needs and the creation of marketing mix to satisfy them. A recent development in this regard is Customer Relationship Management (CRM). It is a business strategy to learn more and more about customer behavior in order to create long term and sustainable relationship with them. It is a

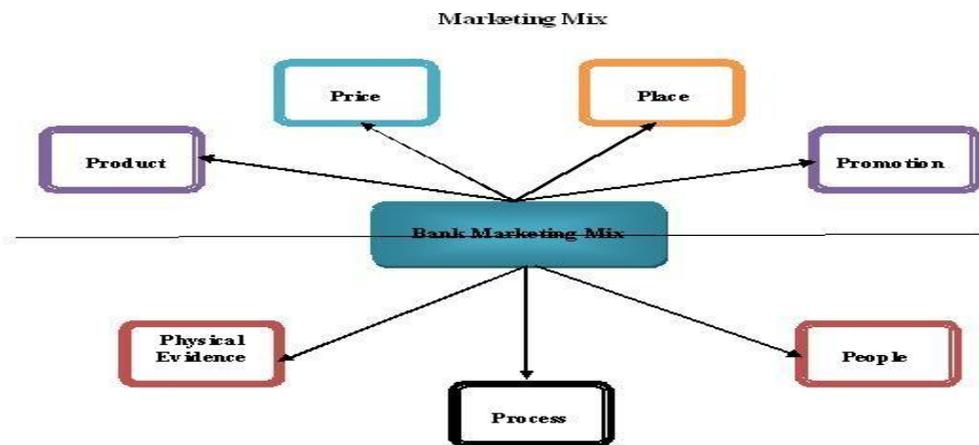
comprehensive process of acquiring and retaining selective customers to generate value for the bank and its customers.

### Identification of Target Customers & their Needs

This is an important area in formulation of a marketing strategy. Unless the bank has clear idea about the customers it wants to serve, it is not possible to work out products to satisfy their needs.

### Marketing Mix in Bank

The second element in formulation of marketing strategy is development of proper marketing mix, so as to satisfy the needs of the target group of customers. This would involve decisions regarding product, place, price, promotion, process, physical evidence, and people.



Bank marketing deals with providing services to satisfy customers' financial needs and wants. To satisfy these financial needs, customers want specific services. All the techniques and strategies of marketing are used so that ultimately they induce the people to do business with a particular bank. This requires satisfaction of customers. Traditional marketing mix cannot be responsible for the total marketing function of a service organization like banks. It requires all elements of service marketing mix. Service marketing mix plays an important role in bank marketing. It consists of the various elements of a marketing programme which need to be considered in order to successfully implement the marketing strategy and positioning in the markets. It helps in differentiating services of a particular bank from its competitors.

### Product

In the banking sector, the core products are 'deposits' and 'advances'. All the banks have these two main products and differentiation of banking services with reference to core product is difficult to achieve. Banks differentiate their services on the basis of value added services which mainly cover information technology based services. And, customer has to be tech-savvy for availing these value added services. Some example of value added services are: mobile banking, mobile and DTH (Direct to Home) recharge through internet banking, electronic fund transfer, etc.

### **Price**

Chang and Wildt (1994) defined perceived price as the consumers' perceptual representation or subjective perception of the objective price of the product / service. Price perceptions are formed in relation to internal reference prices; Price in banking sector means interest rate and service charges. Prices are being controlled by RBI in banking sector but limited deregulation has allowed banks to differentiate their services on the basis of differential interest rates.

### **Place**

Place in banking services means providing banking services at right time in convenient way. Inseparability of production and consumption is the most intriguing characteristic of services. Service provider's physical connection to the service, the customer's involvement in the service production process and involvement of other customers in the service production process create challenges for service provider. As income of people is rising, there is inclination towards convenience related services. Growing demand of laundry services, housekeeping, home delivery grocery outlets are some example of services that reflect convenience orientation of people.

### **Promotion**

Due to complexity of prices involved, customers are left with little choice but to interact with employees to get more clarity. Choosing the right advertising medium by banks for communicating its services helps to satisfy its customers. In Indian banking sector, aggressive and attractive promotional strategies are not visualized. Most often, important schemes are verbally communicated to customers by employees. Decision to buy particular banking services largely depends on decision convenience provided by employees. Notice boards at branches also play significant role in providing information to customers.

### **People (Customers and Employees)**

Customers and employees both participate in service delivery. Their participation is unavoidable in service delivery. So, both are responsible for effective service delivery. Customers can't be separated from the production process of service firms and can contribute to their own satisfaction. In India people rely more on social bonding than individualistic approach. Business transactions in a collectivistic culture like India emphasizing social bonding are different from those of individualistic cultures emphasizing structural bonding (Dash et al., 2007). Therefore, employees' behavior plays a dominant role in differentiating banking services.

### **Physical Evidence (Tangibility)**

Physical evidence is important for banks as this is the environment in which the service is delivered and where the bank employees and customers interact. Furniture, equipments, staff members, pass book, cheque book, information boards, etc. provide tangibility to banks.

### **Process**

Customers are present during service delivery, 'process' is important for customer satisfaction. Process explains how services are being delivered by service organization. If customer does not have sufficient time, he seeks bank that provides effort and time saving banking services.

**Conclusion**

All the above service marketing mix elements revolve around customers. Differentiating the services from competitors is the principal requirement of every service organization. Knowing customers' perceptions regarding services offered to them will help to know their feeling about service marketing mix and relationship of these factors with satisfaction will help marketers to decide marketing strategies for their customers. In banking services price fairness and transparency, distributing banking services in convenient way, behavior of employees, customers' education, tangibility and process through technology play important role in differentiating services from competitors.

## **A STUDY ON IMPACT OF TOTAL QUALITY MANAGEMENT ON PERFORMANCE OF SELF FINANCING ENGINEERING INSTITUTIONS**

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### **Abstract**

*At present, in Tamilnadu a wide range of self financing engineering institute is involved in implementing a Total Quality Management (TQM) practices. But still their performance in the competitive engineering education market is very low when comparing to the other premier engineering institutions in India. So the purpose of this study is to explore the TQM practices of the self financing engineering institute in Tamilnadu and its impact on their performance. The conceptual model is developed and the dimension and items are determined based on the study from Begum Sayeda, Chandrasekharan Rajendran and Prakash Sai Lokachari (2010) TQM Model for achieving institutional excellence. This study is descriptive research design type and is based on the primary data; the primary data is collected from the faculty of the self finance engineering institute in Tamilnadu through the structured questionnaire. The sampling technique used in this study is simple random sampling technique and by using the Gpower analysis the sample size is determined as 256. The reliability test for the questionnaire is carried out and reliability value (cronbach alpha) is found more than 0.7 for all the dimension of the study. The statistical tools descriptive statistics, Path analysis was applied to measure the hypothesis and objectives. The findings of the study show that Performance of the self financing engineering institution is majorly influenced by the quality management system of the institution and minor influenced by the stakeholders of the institution.*

**Key words:** TQM, Engineering institute performance, Path analysis **JEL : 123**

### **Introduction**

Total quality management (TQM) is a way of managing to improve the effectiveness, efficiency, cohesiveness, flexibility and competitiveness of a business as a whole. As defined by British Standard Institution, TQM consists of a “management philosophy and company practices which aim to harness the human and material resources of an organization in the most effective way to achieve the objectives of the organization”. Some researchers are skeptical of the idea of applying TQM to higher education institutions (HEI). For instance, Chaston (1994) has identified obstacles, which include insufficient trust between departments and low confidence levels of ability to manage the process: “Under these circumstances, it does not appear that, for the foreseeable future, British universities are in a position to adopt TQM philosophy.” Paradoxically, however, HEIs, which research and teach TQM lack credibility if they decline to embrace the TQM philosophy and practices themselves. Because TQM is universal and proven by many successful firms, it should be used to formulate the mission statement for the services provided by HEI; a generic mission statement could be “To provide quality education, training, research and related services to consistently satisfy stakeholders’ needs and achieve excellence through TQM”. The competitiveness

of a country and skill level of its students is determined by its quality of higher education provide to its students. Indian educational institutions especially engineering institution adapting to this new reality, they are gearing up to cater to the needs of their domestic educational market and as well as to the international educational markets Kelley and Sharif (2005). India is growing in the information technology (IT), IT ez and various outsourcing (BPO , KPO etc), its due to the cost advantage as well as the availability of the skilled workforce. This paves the way for growth of the higher educational institution especially the engineering institution. The engineers play a pivotal role in the generation of employment opportunities and consequently in the aggrandizement of a nation's wealth. In Tamil Nadu, the number of engineering educational institutions is rapidly increasing because of its demand and government policies. But the quality standard in this institution especially infrastructure, Faculty, Leadership is major concern for their stakeholders. Total quality management has generally been recognized as a major innovation and system development in management thought and has gained widespread acceptance in business and industry. The principles of TQM have been successfully adopted in the field of higher education by developed countries such as Japan, USA and UK. At present, a wide range of self financing engineering institute in Tamilnadu is involved in implementing a Total Quality Management (TQM) practices. But still their performance in the competitive higher education market is very low when comparing to the other premier institutions in India. So the purpose of this study is to explore the TQM practices and its impact on the performance of self financing engineering Institute.

### Review of Literature

TQM has been used successfully and effectively implemented in variety of organizations, including manufacturing and service organizations. TQM was first applied in industries. Later the educational institution like Colleges and universities has gradually started applying TQM principles to improve their system performance. The following review of literature gives the researcher contribution in framing TQM model for the higher educational Institution.

**Gregory (1996)** suggest four dimensions of institutional leaderships symbolic, political, managerial and academic in his model of distributed leadership for managing change in higher education institutions.

**Kanji (1998)** suggested a business excellence model for higher education institution, which having four factors: delight the customer, management by fact, people-based management and continuous improvement.

**S.G.Deshmukh (2006)** in his study brief the importance and usefulness of TQM concept for technical education and also how the six-sigma concept and approach (DMAIC methodology) in eliminating the error in the processes of various activities of technical institutes.

**G.S Sureshchandar et al (2001)** discussed 12 dimensions in his study related to the quality management and its critical for the utilization of a TQM environment in service organizations like financial institutions, health care system and education.

**Mergen et al. (2000)** developed a model of quality management which had three components: quality of design (QD), quality of conformance (QC) and quality of performance (QP). It provided a framework to identify opportunities for improvement in research, teaching and operations.

**Longbottom (2002)** propose enabler criteria, which affects performance and help organizations to achieve organizational excellence. These “enabler” criteria are leadership, policy and strategy, people management, resources and partnerships and processes. They also suggest “result” criteria including customer satisfaction, people satisfaction and impact on society and key performance results for measuring the effectiveness of TQM implementation. Non-implementation of TQM was due to institutions pre-occupation with funding agencies and non-embracement of continuous improvement culture. Proper education and training of those involved in the implementation process will help to mitigate this problem.

**Viswanadhan and Rao (2005)** in his study the researcher measure the impact of privatization of engineering education through the performance of undergraduate engineering programmes in India. The factors taken in the study were commitment of top management and leadership, customer focus, course delivery, communication, campus facilities, congenial learning environment and continuous assessment and improvement.

**Sakthivel et al.(2005)** conceptualized five TQM variables and developed a 5-C TQM model of academic excellence in technical institutions of India: commitment of top management, course delivery, campus facilities, courtesy and customer feedback and improvement.

**U. Surya Rao and A. Pal Pandi (2006)** study given the concept of using all the existing quality management techniques like ISO 9001:2000, Six-Sigma (DMAIC), TQM, Knowledge Management and Lean Thinking in the name of Integrated Total Quality Management (ITQM) in technical institutions

**Begum Sayeda, ChandrasekharanRajendran and Prakash Sai Lokachari (2014)** This study proposes a model for achieving institutional excellence from the macro perspective of the management. Two critical factors, i.e. healthy innovative practices and feeder institution partnership have been identified as key enablers in this study. Institutional performance (effectiveness), as a holistic construct, has been measured by five measures of performance, institution reputation and image, infrastructure quality, faculty excellence, research and industry exposure and stakeholders’ satisfaction.

### **Problem Statement**

To improve the technical and skilled manpower in the country the Engineering education is essential. Graduate courses in engineering appear to have lost their charm and value. This academic year (2016-17), there have been no takers for more than one lakh seats for various courses offered by the 539 self-financing/private engineering colleges in the State. In other words, one lakh seats in Bachelor of Engineering (B.E.) or Bachelor of Technology (B.Tech.) courses in Information Technology, Electronics and Electrical Engineering, Computer Science and Engineering, Mechanical, Civil or Electrical Engineering, Biotechnology, Metallurgy, Rubber Technology, and so on, have not been filled. The trend was noticed in 2011-12 when 45,062 seats in different engineering disciplines remained unfilled. It became glaring in subsequent years. In 2012-13, 50,000 seats remained unfilled; in 2013-14, it was 80,700; and in 2014-15, the figure rose to 1, 00,819. The situation forced several self-financing engineering colleges to close down last year. This academic year, 20 engineering colleges have not admitted fresh students and 15 colleges could fill only 10 per cent of the seats. These are all

due to the poor performance of the self financing engineering colleges. In Tamilnadu many engineering institutions especially self financing engineering institution have ISO9001: 2000 and NBA certificates but it seems the education quality in those institutions is not satisfactory. Some of the problems like lack of infrastructure, shortage of qualified faculty, students' attitude towards learning, poor students' results and placement inadequacy in the engineering institutions result in the institutions' and stakeholders' dissatisfaction. The implementation of TQM practices in self engineering institutions may certainly help the students to get quality education and also TQM build the system in order to improve the performance of the self financing engineering colleges. The objectives of this study are to identify the TQM dimensions and its impact on the self financing engineering institution.

### Objectives of the Study

- To study the perception the engineering institution staffs with respect to the TQM practices dimension of the self financing engineering institution
- To measure the impact of TQM Practices on performance of the self financing engineering institution

### Research Methodology

The research design used in this study is descriptive research design. Descriptive research design is a scientific method which involves observing and describing the behavior of a subject without influencing it in any way. The population of the study is faculty of the self financing engineering colleges. The criteria for respondent (faculty) they should have experience more than 3 years. The sampling design used in this study is simple random sampling for collecting the data from faculty. The simple random sampling means is in which every item of the population equal probability of being chosen. The sample size of this study is determined by the G Power analysis GPower 3. The sample size is determined based on the specified power, alpha level and effect size (medium =0.5) in the GPower analysis. The sample size is determined as 256. The structured questionnaire is used to collect the primary data from the respective self finance engineering Institute faculty members. Responses were recorded along a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree) for all the items in the questionnaire. The measurement scale used in this study is TQM in EEs from the management's (service provider) perspective/TQM Model for achieving institutional excellence developed by Begum Sayeda, ChandrasekharanRajendran, Prakash Sai Lokachari (2014) the measurement scale consist of TQM dimension and Institutional performance dimension, the factors in the TQM dimension are Top management, Infrastructure, QMS, Stakeholders and process and the factors in the Institutional performance dimensions are Reputation, quality, faculty excellence, Industry exposure and stakeholders satisfaction. The reliability of the 32 variables used in the study was carried out using VPLS 2.1 software. The alpha scores which greater than 0.7 is generally acceptable as sufficient accuracy for a construct (Nunnally, 1978). The composite reliability for internal consistency of the constructs was tested and was above 0.7.

**Hypothesis and Model Construction**

**TQM Dimension Institutional Performance**



**Hypothesis of the Study**

- H1.** TQM dimensions are positively related to institutional reputation and image.
- H2.** TQM dimensions are positively related to infrastructure quality.
- H3.** TQM dimensions are positively related to faculty excellence.
- H4.** TQM dimensions are positively related to research and industry exposure.
- H5.** TQM dimensions are positively related to stakeholders' satisfaction

## Results and Discussion

### Reliability Test

Reliability of an instrument refers to the degree of consistency between multiple measurements of variables. It is extent to which an experiment tests or any measuring procedures yield, the same result on repeated attempts. Reliability was estimated through internal consistency method which is applied to measure the consistency among the variables in a summated scale. In the present study, the Cronbach's Alpha co-efficient of reliability was found based on primary data of the present study and the details are as follows:

**Table I Reliability of the Variables**

S.no	Variables	Cronbach ( $\alpha$ ) Value
1	Top management's commitment - institutional Progress (TMC-IP)	0.88
2	Top management's commitment - process Excellence (TMC-PE)	0.91
3	Top management's support - strategic planning and execution (TMS-SPE)	0.90
4	Top management's support - meeting student needs (TMS-MSN)	0.74
5	Support infrastructure - external services (INF-EX)	0.85
6	Support infrastructure - internal services (INF-INT)	0.86
7	Core infrastructure - essential resources (INF-ESS)	0.81
8	Core infrastructure - facilities and layout (INF-FACIL)	0.84
9	Core infrastructure - pedagogy related (INF-PED)	0.81
10	Quality management system (QMS)	0.82
11	Faculty and staff focus - performance (FS-PERF)	0.88
12	Faculty and staff focus - professional and career Development (FS-PROF)	0.81
13	Student focus - academic development (SF-ACAD)	0.89
14	Student focus - co-curricular and extra-curricular Development (SF-COEX)	0.86
15	Student focus - congenial atmosphere (SF-CON)	0.77
16	Alumni focus (AL-FOC)	0.84
17	Stakeholder focus (STK-FOC)	0.84
18	Social responsibility (SOC-RES)	0.84
19	Industry interface (IND-INT)	0.93
20	Feeder institution partnership (FIP)	0.89
21	Continuous improvement (CI)	0.82
22	Benchmarking (BM)	0.75
23	Measurement, information and analysis (MIA)	0.83
24	Knowledge management (KM)	0.79
25	Research and development (R&D)	0.76
26	Healthy and innovative practices (HIP)	0.85
27	Pedagogy (PED)	0.78
28	Institutional Reputation and Image	0.82
29	Infrastructure Quality	0.80
30	To Faculty Excellence	0.85
31	Research and Industry Exposure	0.87
32	Stakeholders' Satisfaction	0.93

The reliability of the 32 variables used in the study was carried out using VPLS 2.1 software.. The alpha scores which greater than 0.7 is generally acceptable as sufficient accuracy for a construct

(Nunnally, 1978). The composite reliability for internal consistency of the constructs was tested and was above 0.7.

### Demographic Analysis

Analyze the demographic profile of the respondents by frequency analysis its found that 59.4% of the respondents in the assistant professor category, 61.5 % of the respondents in the age group of 36-45 years, 62.5% of the respondents belongs to male category, 91.7 % of the respondents belongs to married group, 79.2% of the respondents are having PG qualification, and 34.4% of the respondent are having more than 15 years of experience

### Descriptive Statistics

**Table II-Descriptive Statistics of the TQM dimensions**

S.No	Variables	Mean	SD
1	Top management's commitment - institutional progress	4.17	.816
2	Top management's support - strategic planning and execution	4.48	.754
3	Top management's commitment - achieving process excellence	4.87	.363
4	Top management's support - meeting student needs	4.49	.580
5	Support infrastructure - external services	4.23	.840
6	Support infrastructure - internal services	3.92	.574
7	Core infrastructure - essential resources	4.02	.680
8	Core infrastructure - facilities and layout	4.48	.523
9	Core infrastructure - pedagogy related	4.37	.637
10	Quality management system	4.57	.557
11	Faculty and staff focus - performance	4.65	.649
12	Faculty and staff focus - professional and career development	3.90	.624
13	Student focus - academic development	4.22	.861
14	Student focus - co- and extra-curricular development	3.98	.846
15	Student focus - congenial atmosphere in campus	4.30	.583
16	Alumni focus	4.27	.640
17	Stakeholder focus	4.30	.756
18	Social responsibility	4.41	.608
19	Industry interface	4.47	.695
20	Feeder institution partnership	4.09	.782
21	Continuous improvement	4.04	.767
22	Benchmarking	3.94	.779
23	Measurement, information	4.15	.740
24	Knowledge management	3.96	.664
25	Research and development	3.23	.888
26	Healthy and innovative practices	3.20	.902
27	Pedagogy	4.24	.557

### Inference:

Table 2.0 shows the mean and standard deviation of the TQM dimensions. In the variables related to the top management, Top management commitment for achieving process excellence (Mean value= 4.87 and S.D= .363) had the highest mean when compared to the top management

commitment in institutional progress (Mean value= 4.17 and S.D= .816), top management support for strategic planning and execution (Mean value=4.48 and S.D= .754), top management support meeting the students needs (Mean value= 4.49 and S.D= .580), since the top management commitment in institution progress mean values are less the faculties are not aware of the institutional progress in future. The standard deviation is less than 1 for the entire dimension which showed that the response of the faculties did not vary much with the mean value. With respect to the variables of the infrastructure, core infrastructure for facilities and lay out (Mean value= 4.48) had the highest mean value and core infrastructure for pedagogy having the next highest mean value (Mean = 4.37) are very less difference between the above variables mean values shows that faculties are aware of the core infrastructure of their institution. The support infrastructure for internal services have the (mean value = 3.92) is less compare to other dimension of Infrastructure. The standard deviation is less than 1 for the entire dimension which showed that the response of the faculties did not vary much with the mean value. The mean value for the QMS is 4.57 and S.D is 0.557. The variables related to stake holders had 10 dimensions namely faculty and staff focus related to performance extended ( $\mu = 4.65$ ), faculty and staff focus related to professional and career development ( $\mu = 3.90$ ), student focus for academic development ( $\mu = 4.22$ ), student focus for co and extracurricular development ( $\mu = 3.98$ ), students focus for congenial atmosphere ( $\mu = 4.30$ ), alumni focus ( $\mu = 4.27$ ), stake holder focus( $\mu = 4.30$ ), Social responsibility focus( $\mu = 4.41$ ), industry interface( $\mu = 4.47$ ) and feeder institution partnership( $\mu = 4.09$ ). Among the ten variables faculty and staff focus performance had high mean value and faculty and staff focus related to professional and career development had low mean value. The standard deviation is less than 1 for all the variables which showed that the response of all the faculties did not vary much with the mean value. The Factor related to process had seven variables. Continuous improvement ( $\mu = 4.04$ ), Benchmarking ( $\mu = 3.94$ ), measurement information and analysis ( $\mu = 4.15$ ), Knowledge measurement ( $\mu = 3.96$ ), Research and development ( $\mu = 3.23$ ), Healthy and innovative practices ( $\mu = 3.20$ ), Pedagogy ( $\mu = 4.24$ ), A high mean over the pedagogy showed that the pedagogy process are well known to the faculties of the self financing engineering institution. The standard deviation is less than 1 for the entire dimension which showed that the response of the entire faculties did not vary much with the mean value.

**Table III Descriptive Statistics of the Performance Dimensions**

S.No	Variables	Mean	S.D
1	Institution reputation and image	4.16	.549
2	Infrastructure quality	4.15	.580
3	Faculty excellence	4.10	.607
4	Research and industry	4.06	.558
5	Stakeholder satisfaction	3.95	.513

### Inference

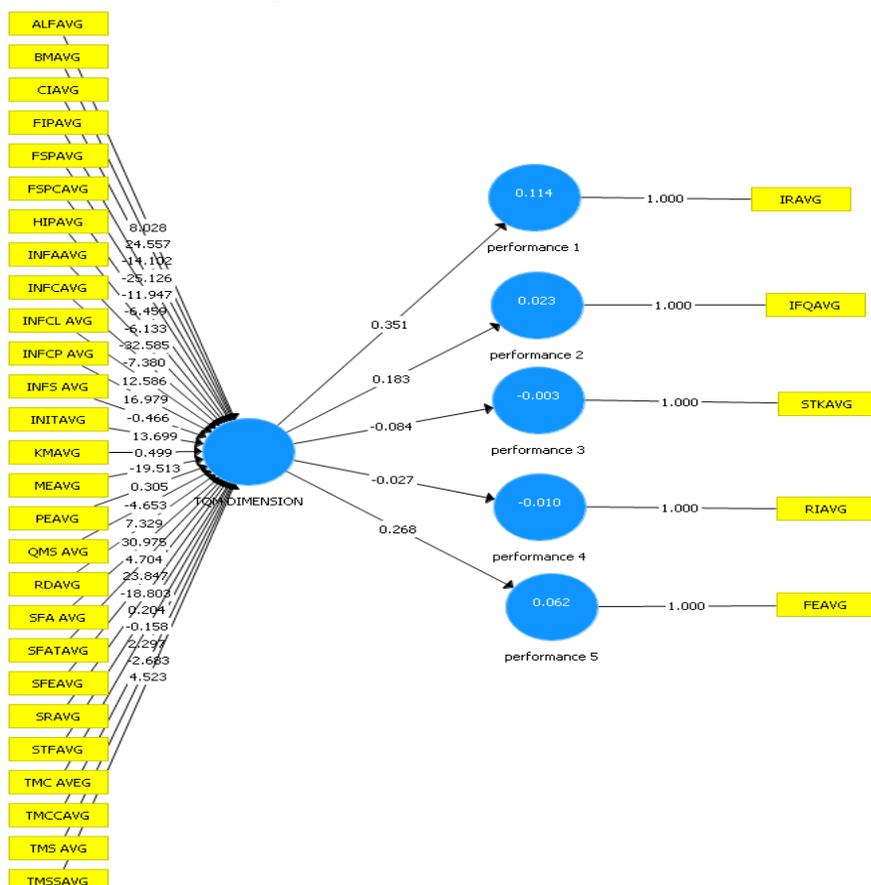
In the dimensions related to the performance of the self financing engineering institution, institution reputation and image (Mean value= 4.16 and S.D= .549) had the highest mean when compared to the stakeholder satisfaction (Mean value= 3.95 and S.D= .513), infrastructure quality (Mean value=4.15 and S.D= .580) had the next highest mean value, faculty excellence (Mean value= 4.10 and S.D= .607), and Research (Mean = 4.06 and S.D= .558), according to the faculty institution

reputation and infrastructure tops the performance of the institution. The standard deviation is less than 1 for the entire dimension which showed that the response of the faculties did not vary much with the mean value

**Path Analysis**

The result of VPLS structural equation model is given below in Fig. 1 Tests of significance for all paths are conducted using bootstrap re-sampling procedure. The test of each link is mapped to each path in the model. The estimated path coefficient along with their t-statistic is shown in the model. The causal effect of TQM dimension on Performance dimension of the self financing engineering institute is tested using Visual PLS path modeling software. PLS path modeling is a nonparametric method, and as such cannot be used for performing a t-test. But it is possible to use re-sampling methods (bootstrap and jack knife) to obtain the significance of the various paths in the model. Bootstrap is more reliable in estimating the significance of paths (Chin, 1995). So, this study has considered and used bootstrap for the purpose of determining causal relations proposed in the model. The results are examined for significance. At 5% level of significance the cutoff t-statistic is 1.96. In general; it is assumed that if the t-statistic is more than two, the path is significant

**Fig I- Path Analysis between TQM Dimensions and Performance Dimensions Of Self Financing Engineering Institution**



## Inference

The performance1 (Institutional reputation and image) is influenced positively by TQM with a path coefficient of 0.351. The R- square value of performance1 (Institutional reputation and image) is 0.114 it can be concluded that 11% of variation in performance1 (Institutional reputation and image) is of the sample as explained by the TQM. This empirical investigation supports the TQM and its dimension and also supports the fact that performance1 (Institutional reputation and image) is influenced by TQM.

*H1. TQM dimensions are positively related to institutional reputation and image.*

The above H1 is accepted so the TQM dimensions are positively related to institutional reputation and image.

The performance 2 (Infrastructure Quality) is influenced positively by TQM with a path coefficient of 0.183. The R- square value of performance 2 (Infrastructure Quality) is 0.023 it can be concluded that 2% of variation in performance 2 (Infrastructure Quality) is of the sample as explained by the TQM. This empirical investigation supports the TQM and its dimension and also supports the fact that performance 2 (Infrastructure Quality) is influenced by TQM.

*H2. TQM dimensions are positively related to infrastructure quality.*

The above H2 is accepted so the TQM dimensions are positively related to infrastructure quality

The performance 3 (Faculty excellence) is influenced negatively by TQM with a path coefficient of -0.084. The R- square value of performance 3 (Faculty excellence) is -0.003 it can be concluded that 0% of variation in performance 3 (Faculty excellence) is of the sample as explained by the TQM. This empirical investigation supports the TQM and its dimension and not supports the fact that performance 3 (Faculty excellence) is influenced by TQM.

*H3. TQM dimensions are positively related to faculty excellence.*

The above H3 is rejected so the TQM dimensions are negatively related to faculty excellence

The performance 4 (Research and industry exposure) is influenced negatively by TQM with a path coefficient of -0.027. The R- square value of performance 4 (Research and industry exposure) is -0.010 it can be concluded that -1% of variation in performance 4 (Research and industry exposure) is of the sample as explained by the TQM. This empirical investigation supports the TQM and its dimension and not supports the fact that performance 4 (Research and industry exposure) is influenced by TQM.

*H4. TQM dimensions are positively related to research and industry exposure.*

The above H4 is rejected so the TQM dimensions are negatively related to research and industry exposure

The performance 5 (stakeholders satisfaction) is influenced positively by TQM with a path coefficient of 0.268. The R- square value of performance 5 (stakeholders satisfaction) is 0.062 it can be concluded that 6% of variation performance 5 (stakeholders satisfaction) is of the sample as explained by the TQM. This empirical investigation supports the TQM and its dimension and also supports the fact that performance 5 (stakeholders satisfaction) is influenced by TQM.

*H5. TQM dimensions are positively related to stakeholders' satisfaction*

The above H5 is accepted so the TQM dimensions are positively related to stakeholder's satisfaction.

## **Conclusion**

The present study made an attempt to measure the impact of TQM dimension on performance of the self financing engineering institution in Tamilnadu. The constructs are validated by a series of statistical tests and analysis. The relationship between the constructs of TQM and the measures of self financing engineering institutional performance has been assessed. It is seen that the TQM dimensions significantly influence all the measures of performance of the institution, which have a significant bearing on institutional effectiveness. The individual dimensions which result in each of the particular measure of institutional performance is highlighted for the purpose of reflection for the service provider to concentrate more on each of the performance areas for improvement. Some important observations and concerns from the management's perspective are also highlighted and they pertain to developing vision, commitment of resources for launching quality management initiatives and process lacunae experienced by key stakeholders.

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## BANK MANAGEMENT SYSTEM

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### Abstract

*The Plan and process of this Bank Management system supply a more guaranteed motion in managing bank customer's info which increase the relation between banks and their customers by rendering the right answer that uses a structure safety to improve customer damages. To keep the trust of customers, there is the optimistic need for management of the bank, which can hold all this with pleasant and simplicity. Effective and efficient management leads to the satisfaction of the customers and staff members, indirectly. And also, it encourages management administrative body in taking some required choice for approaching improvement of the bank. Now a days, managing a bank is boring job up to certain level. So computer code that reduces the work is important. Also today's world is a good computer world and is getting quicker and quicker day-by-day. In this paper we will have a look at how a bank manages its possession in order to earn the high possible income.*

**Keywords:** *Bank management, Customers relationship, Safety required and Satisfaction*

### Introduction

A bank is a financial institution which take deposits, pays power on per-defined revenue enhancement, distinct checks, form loans, and frequently acts as an mediator in financial proceedings. It also supply other financial work to its customers. Bank management regulate several concerns related with bank in order to increase net income. The concerns generally consider liquidity management, asset management, liability management and capital management. We will discuss these areas in this paper. Today, banks are sensing beyond the transactions to the full possibility on how to manage their customers. Consequently, they are going beyond managing customer as plain interaction to a entire new plane of consumer relationship management, creating a super technical client experience that gives the bank a competitive plus and a more loyal, gainful and bound up customers. There are many definitions of bank management. In general, bank management relate to the activity of managing the Bank's act . Bank management is defined by the particular object of management - financial dealings attached with banking action and other dealings, also connected with execution of management purpose in banking.

### Evolution of Banks

- Barter system replaced by cash which made transaction uniform
- Uniform laws were made up to develop public trust
- Centralized banks were made up to manage other banks
- Book keeping was changed from papers to digital format with the introduction of computers
- ATM's were made up for easier withdrawal of money □
- Net banking came into existence with development of web

## **General Principles of Bank Management**

- Liquidity Management
- Asset Management
- Liability Management

### **Liquidity Management**

In finance, liquidity management takes one of two forms based on the account of liquidity. One type of liquidity relate to the quality to trade an asset, such as a stock or bond, at its actual price. The other account of liquidity applies to sizable organizations, such as commercial enterprise. Banks are often evaluated on their liquidity, or their quality to encounter cash and related obligations without acquisition significant losses. In either case, liquidity management explains the activity of investors or managers to reduce liquidity risk aspect.

### **Asset Management**

Asset management is the path of a customer cash and safety by a financial services organization, usually an finance bank. The organization offers finance services along with a broad scope of traditional and secondary outcome offerings that might not be accessible to the normal capitalist. The account is held by a bank institution and includes checking writing privileges, credit cards, debit cards, margin loans, the automatic sweep of cash balances into a money market fund and brokerage services.

### **Liability Management**

Liability management is the use and management of liabilities, such as client deposits, by a bank in order to serve loaning and let for balanced maturation. Management of money recognized from depositors as well as finances barred from other organization constitute liability management. It also involves security against alteration in interest rates and dominant the gap between the maturities of assets and liabilities.

## **3 Reasons why Bank Management is Important**

1. Changing Regulation of Banks
2. Increasing Competition due to Changing Technological Development
3. Changing International Relationship

### **Changing Regulation of Banks**

Changing rules of bank can affect the customers, so they follow some methods to manage the banks. Some of the techniques followed by the bank regulatory authorities to control over the activities of commercial banks are;

1. Direction for the right price of bank services.
2. Introduction of deposit insurance.
3. Direction for adequate liquidity.
4. Direction for capital adequacy.
5. Direction for approval and non-approval of bank loan operation.
6. Recruitment of directors and direction regarding recruitment and directing their duties and

responsibilities.

7. Loan supervision,, review and examination.
8. Direction for adequacy reserve etc.

### **Increasing Competition due to Changing Technological Development**

Why the new welfare or service that the bank content is unique and various from that of the other organization definite quantity the commercial banks to take part in the multidimensional competitive surroundings. The bank, which can attract more clients, can create client repeatedly. This technological environment absorbed more investment and new training. So, the management of bank creates new strategy of banking services adjusted in competitive banking business.

### **Changing International Relationship**

In global banking business, the bank faces broad sum of civil law in the event of a new problem. Worldwide relations, global or bilateral, create more rival in banking business. Other cause, such as changes in world trade and commerce, laws of found transfer, alteration in society and cultural factors launch new operational management system which demand the banking business. In this era of modern-day s, solution of competitive situation and development of world relationship among banks, the management of bank follows scheme to unite banks in multinational banking business.

### **Conclusion**

Now a days banking has become a necessary need for many people all around the world. At present many banks are adopting the new methods of management system. So that they can easily serve the customers and give their best in the competitive environment. This paper includes the important main scheme needed for banking management and adoption of banking management

## **A STUDY ON CASH FLOW MANAGEMENT OF SELECT CEMENT COMPANIES IN INDIA**

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### **Abstract**

*The word cash flow management takes into consideration cash which includes cash on hand , cash deposited with bank, cash equivalents and those investment which have a limited or a very less maturity period and those which are subjected to possess no difficulty in its convertibility into cash. The study has been conducted with the help of various Ratios, Mean, Standard deviation, Co-efficient of variation and T-test. The study was conducted to analyze the overall cash flow management of selected cement companies from the period 2007-08 to 2016-17. This study presents the implementation of financial tools and its influences in the operating activities of the company. The cash flow management of Ambuja Cements Limited and Dalmia Bharat Limited is good. It is analysed that by implementing strategies like cash mobilisation , managing cash flow , productive use of excess cash and determination of optimal cash level increases the precision and provides a reliable cash forecasting techniques.*

### **Introduction**

The most current and liquid form of asset for a business is cash. Cash appears to perform a pivotal role in the entire life of a business. The flow of cash in a firm can be of two types, one is inflow and the other is outflow which means paying and receiving cash in the ordinary course of the business. For the survival of a business, cash is considered as an important element and, which is utilised for making current payments , i.e. to suppliers, to meet day-to-day expenditures for the ongoing operations of the business like payment of salary , wages, tax , insurance, interest and other related expenditures which has to be incurred on a monthly basis or on a specified date of its occurrence. The business will also receive cash in a form of revenue, interest on loan granted to outsiders, interest on investment made by the firm and so on. The main motive of implementing the cash flow management is that it tries to achieve a balance between the surplus and deficit cash. Cash flow is one of the important tool which portrays the financial position, financial performance, value, solvency and liquidity position of a business. The manager has to indulge himself in forecasting, planning, locating and regulating cash inflows and outflows and also should monitor and maintain a safety level of cash.

### **Objectives of the Study**

1. To know the Cash Management Performance of the selected Cement companies in India.

### **Sources of Data**

- Published Annual Reports of the companies for the period from 2007-08.

### **Financial and Statistical Tools Used for the Analysis**

1. Ratio
2. Mean
3. Standard Deviation
4. Co-efficient of variation
5. T- Test

## Analysis and Interpretation

## Cash Position Ratio

Year	UCL	SCL	ACL	ACCL	DBL	RCL	RIL	BCL	OCLIL	JKCL
2007-08	0.063	0.815	0.557	0.332	-	0.024	0.080	0.038	0.283	0.367
2008-09	0.068	0.519	0.578	0.359	-	0.048	0.039	0.596	0.308	0.325
2009-10	0.062	0.336	0.506	0.237	3.000	0.043	0.061	0.466	0.928	0.281
2010-11	0.028	0.449	0.728	0.288	1.803	0.028	0.055	0.548	0.810	0.484
2011-12	0.041	0.226	0.749	0.504	0.295	0.032	0.531	0.653	0.290	0.586
2012-13	0.023	0.261	0.749	0.199	0.029	0.033	0.566	0.410	0.195	0.369
2013-14	0.048	0.106	0.823	0.154	0.065	0.026	0.658	0.565	0.127	0.355
2014-15	0.024	0.212	0.781	0.080	0.231	0.043	0.370	0.732	0.131	0.361
2015-16	0.199	0.245	0.883	0.024	0.029	0.061	0.176	0.369	0.039	0.407
2016-17	0.275	0.056	0.083	0.067	0.018	0.058	0.078	0.381	0.023	0.369
<b>Mean</b>	<b>0.083</b>	<b>0.323</b>	<b>0.644</b>	<b>0.225</b>	<b>0.684</b>	<b>0.040</b>	<b>0.261</b>	<b>0.476</b>	<b>0.313</b>	<b>0.390</b>
<b>SD</b>	<b>0.085</b>	<b>0.223</b>	<b>0.232</b>	<b>0.150</b>	<b>1.112</b>	<b>0.013</b>	<b>0.245</b>	<b>0.195</b>	<b>0.310</b>	<b>0.086</b>
<b>CV</b>	<b>101.7</b>	<b>69.0</b>	<b>36.0</b>	<b>66.9</b>	<b>162.7</b>	<b>33.4</b>	<b>93.8</b>	<b>40.9</b>	<b>99.1</b>	<b>22.1</b>
<b>t' Value</b>	<b>3.108</b>	<b>4.580</b>	<b>8.789</b>	<b>4.724</b>	<b>1.739</b>	<b>9.474</b>	<b>3.372</b>	<b>7.729</b>	<b>3.192</b>	<b>14.290</b>
<b>p' Value</b>	<b>0.013 **</b>	<b>0.001*</b>	<b>0.000*</b>	<b>0.001*</b>	<b>0.126<sup>NS</sup></b>	<b>0.000*</b>	<b>0.008*</b>	<b>0.000*</b>	<b>0.011**</b>	<b>0.000*</b>

Note: \* - Significant at 1% level; \*\* - Significant at 5% level; NS- Not Significant.

## Cash to Sales Ratio

Year	UCL	SCL	ACL	ACCL	DBL	RCL	RIL	BCL	OCLIL	JKCL
2007-08	0.018	0.222	0.115	0.108	-	0.011	0.030	0.018	0.126	0.091
2008-09	0.016	0.174	0.138	0.136	-	0.015	0.010	0.177	0.106	0.075
2009-10	0.012	0.115	0.124	0.093	-	0.013	0.016	0.157	0.258	0.064
2010-11	0.011	0.144	0.237	0.141	0.433	0.015	0.023	0.159	0.263	0.153
2011-12	0.010	0.078	0.242	0.171	0.102	0.015	0.362	0.192	0.090	0.170
2012-13	0.007	0.066	0.232	0.060	0.010	0.014	1.592	0.107	0.077	0.114
2013-14	0.014	0.027	0.256	0.045	0.018	0.012	0.698	0.166	0.046	0.124
2014-15	0.009	0.048	0.246	0.026	0.049	0.017	3.648	0.145	0.040	0.122
2015-16	0.093	0.051	0.301	0.008	0.028	0.025	0.146	0.111	0.011	0.134
2016-17	0.093	0.013	0.032	0.025	0.020	0.030	0.261	0.090	0.008	0.095
<b>Mean</b>	<b>0.028</b>	<b>0.094</b>	<b>0.192</b>	<b>0.081</b>	<b>0.094</b>	<b>0.017</b>	<b>0.679</b>	<b>0.132</b>	<b>0.103</b>	<b>0.114</b>
<b>SD</b>	<b>0.034</b>	<b>0.068</b>	<b>0.084</b>	<b>0.057</b>	<b>0.153</b>	<b>0.006</b>	<b>1.152</b>	<b>0.052</b>	<b>0.092</b>	<b>0.034</b>
<b>CV</b>	<b>120.4</b>	<b>72.6</b>	<b>43.8</b>	<b>69.8</b>	<b>162.1</b>	<b>36.0</b>	<b>169.8</b>	<b>39.2</b>	<b>89.3</b>	<b>29.3</b>
<b>t' Value</b>	<b>2.625</b>	<b>4.353</b>	<b>7.214</b>	<b>4.530</b>	<b>1.633</b>	<b>8.785</b>	<b>1.863</b>	<b>8.075</b>	<b>3.541</b>	<b>10.778</b>
<b>p' Value</b>	<b>0.028**</b>	<b>0.002*</b>	<b>0.000*</b>	<b>0.001*</b>	<b>0.154<sup>NS</sup></b>	<b>0.000*</b>	<b>0.095<sup>NS</sup></b>	<b>0.000*</b>	<b>0.006*</b>	<b>0.000*</b>

Note: \* - Significant at 1% level; \*\* - Significant at 5% level; NS- Not Significant.

## Findings

- It is inferred from the analysis that Dalmia Bharat Limited has the highest mean value and J. K. Cement Limited is more consistent in the cash position ratio during the study period. The companies are UltraTech Cement Limited, Shree Cements Limited, Ambuja Cements Limited,

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Associated Cement Companies Limited, Ramco Cements Limited, Rain Industries Limited, Birla Corporation Limited, OCL India Limited and J. K. Cement Limited are having significant difference in the study period.

- It is stated from the analysis that Rain Industries Limited has the highest mean value and J. K. Cement Limited is more consistent in the cash to sales ratio during the study period. The companies are UltraTech Cement Limited, Shree Cements Limited, Ambuja Cements Limited, Associated Cement Companies Limited, Ramco Cements Limited, Birla corporation Limited, OCL India Limited and J. K. Cement Limited are having significant difference in the study period.

### **Conclusion**

The study was conducted to analyze the overall cash flow management of selected cement companies from the period 2007-08 to 2016-17. This study presents the implementation of financial tools and its influences in the operating activities of the company. The cash flow management of Ambuja Cements Limited and Dalmia Bharat Limited is good. Discovering the cash position of the firm becomes easy if the information relating to cash is been referred from the past historical records by the financial manager for viewing the cash flow statement. It is analysed that by implementing strategies like cash mobilisation , managing cash flow , productive use of excess cash and determination of optimal cash level increases the precision and provides a reliable cash forecasting techniques.

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## A STUDY ON EMPLOYEE MOTIVATION WITH REFERENCE TO STEEL COMPLEX LIMITED, CALICUT USING PERCENTAGE ANALYSIS

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### Abstract

*Motivation is a major factor in the growth of an organization. Organizations need highly motivated employees to take their success mission forward. The rewards and recognition programmes play a vital role in boosting employee morale and motivation. The research was carried out to study the motivational factors of employees and its effectiveness in Steel Complex Ltd., Calicut and to study about the welfare measures provided to employees by Steel Complex Ltd. In today's time the study of what are the factors that motivates employees and in turn improves productivity and profitability has a wide scope. The study analyses various related factors that affect employee motivation and the needs and wants of the employees in an organization. Various measures that inspire and motivate employees are very important to achieve the organizations desired objectives*

**Keywords** Employee, Motivation, Organizations, performance, recognition, Steel Industry

### Introduction

Motivation is a major factor in the growth of an organization. Organizations need highly motivated employees to take their success mission forward. The rewards and recognition programmes play a vital role in boosting employee morale and motivation. Performance recognition is a must have for any organization, it is an important factor but mere introduction of a reward and recognition programme does not guarantee encouraging results. The rewards and recognition programme to yield good results must meet the following two factors a) Expectations of employees b) The implementation process of the performance recognition system should be fair to inspire employees, In spite of having well intended performance recognition in place, organization far too often fail to motivate their employees.

Motivation has to be drawn from within, it is not a force that can be applied from outside, A manager who can inspire his employees to overcome all obstacles and hurdles and grow on the personal front as well as professionally is a true leader, A leaders charisma and actions bring in a transformation in his employees to improve their performance. A manger should be a role model for their employees, in today's times respecting the interest of employees assumes much importance. A good manager should look into the development of each employee and understanding their interests and strength. This in turn is essential to establish a relationship of trust between an employee and employer and motivate the employees to align his goal in lieu with the goals of the company.

Steel Complex Limited (SCL) is the only mini steel plant in Kerala. It is managed and run by the Government of Kerala. It started off as a joint venture co run by KSIDC (Kerala State Industrial Development Corporation) and some private entrepreneurs namely Mr. S.A. Jifri, Mr. A.K. Kader Kutty, Mr. K.P. Abdul Kareem, Mr. R.N. Menon, Mr.K.T. Joseph etc. Later the 50% of the shares were taken over by KSIDC and it became a subsidiary of KSIDC. SCL was making considerable

profit though they were excellent pay masters paying a salary in par with any other “A” grade companies. Employees also received a bonus which was on the higher side. The newspapers published their profit report daily. The products of SCL had a good market and the employees working at SCL had a good standing in the society.

In the year 1995 the Government of Kerala took over the company on a rehabilitation package. The new administration cut down the facilities enjoyed by the employees. The company was downsized and the employees were cut down from 1050 to 800 employees but the performance of the company was poor. It couldn't regain its Designation in the market and it decided to close it down again in 2016. When the new Government was formed they tried to revive the sick units by making considerable changes in the administration. The company started improving and has been making profits in the last 3 years. The employees currently aren't provided any facilities or benefits like hike in salary, bonus, medical facilities, a conducive working environment etc.

### **Objectives of the Study**

- To study the motivational factors of employees and its effectiveness in Steel Complex Ltd., Calicut.
- To study about the welfare measures provided to employees by Steel Complex Ltd.

### **Scope of the Study**

Motivation can be both internal and external and all levels of the management can collectively contribute towards keeping the workforce motivated. In today's time the study of what are the factors that motivates employees and in turn improves productivity and profitability has a wide scope. The study analyses various related factors that affect employee motivation and the needs and wants of the employees in an organization. It essentially tries to bridge the gap between top level management and the employee's .Various measures that inspire and motivate employees are very important to achieve the organizations desired objectives.

### **Sample Size**

Steel Complex Ltd has a total of 800 employees, of which 150 employees were selected for the study.

**Area of Study** The Study is conducted at Steel Complex Ltd. Calicut.

### **Description of Statistical Tools Used**

Percentage method

### **Data Analysis and Interpretation Table - Salary Structure**

Source: Primary data

Salary	Frequency	Percent
Upto Rs.10,000	49	32.7
Rs.10,001 to Rs.15,000	53	35.3
Rs.15,001 to Rs.20,000	36	24.0
Above Rs.20,000	12	8.0
<b>Total</b>	150	100.0

### **Interpretation**

The above table states that 32.7 % of respondents draw salary upto Rs.10,000, 35.3 % of respondents draw salary between Rs. 10,001- 15000, 24 % of respondents draw salary between Rs. 15,001- 20,000 and 8% of respondents draw salary above Rs.20,000.Maximum number of respondents draw salary between Rs.10,001- 15000.

**Table – Accident Compensation**

Source: Primary data

Accident Compensation	Frequency	%
Yes	73	48.7
No	77	51.3
<b>Total</b>	<b>150</b>	<b>100.0</b>

**Interpretation**

The above table states that 48.7 % of respondents availed the benefit of accident compensation and 51.3% of respondents did not avail the benefit of accident compensation. Maximum number of respondents did not avail the benefit of accident compensation.

**Table – Half Pay Leave**

Source: Primary data

Half Pay Leave	Frequency	%
Yes	71	47.3
No	79	52.7
<b>Total</b>	<b>150</b>	<b>100.0</b>

**Interpretation**

The above table states that 47.3 % of respondents availed the benefit of half pay leave and 52.7% of respondents did not avail the benefit of half pay leave. Maximum number of respondents did not avail the benefit

of half pay leave.

**Table – Festival Advance**

Source: Primary data

Festival Advance	Frequency	%
Yes	67	44.7
No	83	55.3
<b>Total</b>	<b>150</b>	<b>100.0</b>

**Interpretation** The above table states that 44.7 % of respondents availed the benefit of Festival Advance and 55.3% of respondents did not avail the benefit of Festival Advance. Maximum number of respondents did not avail the benefit of Festival Advance.

**Table Advance for education of children**

Source: Primary data

Advance for Education of Children	Frequency	%
Yes	76	50.7
No	74	49.3
<b>Total</b>	<b>150</b>	<b>100.0</b>

**Interpretation** The above table states that 50.7 % of respondents availed the benefit of Advance for education of children and 49.3% of respondents did not avail the benefit of Advance for education of children. Maximum number of respondents did not avail the benefit of Advance for education of children.

**Table – Company Hygiene**

Source: Primary data

Company Hygiene	Frequency	%
Yes	70	46.7
No	80	53.3
<b>Total</b>	<b>150</b>	<b>100.0</b>

**Interpretation** The above table states that 46.7% of respondents feel the company surroundings is hygienic and 53.3% of respondents feel the company surroundings is not hygienic. Maximum number of respondents feel the company surroundings is not hygienic.

**Table – Rest Room and Recreation Facilities**

Source: Primary data

Rest Room and Recreation Facilities	Frequency	%
Yes	74	49.3
No	76	50.7
<b>Total</b>	<b>150</b>	<b>100.0</b>

**Interpretation** The above table states that 49.3% of respondents feel the company provides proper rest

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room and recreation facilities and 50.7% of respondents feel the company does not provide proper rest room and recreation facilities. Majority of respondents feel the company does not provide proper rest room and recreation facilities.

**Table - Transport Facilities**

Source: Primary data

Transport Facilities	Frequency	%
Yes	76	50.7
No	74	49.3
<b>Total</b>	<b>150</b>	<b>100.0</b>

**Interpretation** The above table states that 50.7% of respondents feel the company provides Transport Facilities and 49.3% of respondents feel the company does not provide Transport Facilities.

Majority of respondents feel the company does not provide Transport Facilities

**Table - Provided with Enough Leave**

Source: Primary data

Provided with Enough Leave	Frequency	%
Yes	78	52
No	72	48
<b>Total</b>	<b>150</b>	<b>100.0</b>

**Interpretation** The above table states that 52% of respondents agree that they are provided enough leave and 48% of respondents disagree that that they are provided enough leave. Majority of respondents agree that that they are provided enough leave.

**Table - Provided Proper Safety Measures**

Source: Primary data

Provided Proper Safety Measures	Frequency	Percent
Yes	77	51.3
No	73	48.7
<b>Total</b>	<b>150</b>	<b>100.0</b>

**Interpretation** The above table states that 51.3% of respondents agree that they are provided proper safety measure and 48.7% of respondents disagree that they are provided proper safety measures. Majority of respondents agree that they are provided proper safety measures

**Table - Participation in Decision Making**

Source: Primary data

Participation in Decision Making	Frequency	%
Always	31	20.7
Often	18	12
Sometimes	29	19.3
Rarely	36	24
Never	36	24
<b>Total</b>	<b>150</b>	<b>100</b>

**Interpretation** The above table states that 20.7% of respondents are of the opinion that they are always Allowed to participate in the decision making process organization, 12% of respondents are of the opinion that they are Often allowed to participate in the decision making process organization, 19.3% of respondents are of the opinion that they are Sometimes allowed to participate in the decision making process organization, 24% of respondents are of the opinion that they are Rarely

allowed to participate in the decision making process organization and 24% of respondents are of the opinion they are Never allowed to participate in the decision making process organization. Maximum number of respondents are of the opinion that they are Rarely or Never allowed to participate in the decision making process organization.

Table – Appreciated for their performance by their supervisors

Source: Primary data

Appreciated for their performance by their supervisors	Frequency	Percent
Always	22	14.7
Often	32	21.3
Sometimes	41	27.3
Rarely	30	20
Never	25	16.7
<b>Total</b>	<b>150</b>	<b>100</b>

**Interpretation** The above table states that 14.7% of respondents are of the opinion that they are always appreciated for their performance by their supervisors, 21.3% of respondents are of the opinion that they are Often appreciated for their performance by their supervisors, 27.3% of respondents are of the opinion that they are Sometimes appreciated for their performance by their supervisors, 20% of respondents are of the opinion that they are Rarely appreciated for their

performance by their supervisors and 16.7% of respondents are of the opinion they are Never appreciated for their performance by their supervisors. Maximum number of respondents are of the opinion that they are Sometimes appreciated for their performance by their supervisors.

### Conclusion

It seems that the management is ignorant to the influence of motivational factors in production and productivity of the organization. Lack of scientific management is very evident in their functioning. The concern is badly in need of modern techniques of management and introduction of attractive motivational techniques. Since the company isn't capable of motivating their employees with proper monetary and non monetary benefits, it is having a negative impact on the smooth functioning of the company. If the company considers taking necessary measures to overcome these short comings, it can attain being the peak in the industry, and the company can regain its Designation and lead a golden era.

## **SUSTENANCE OF LARGE OUTREACH MFIs – A COMPARISON OF INDIA AND BANGLADESH**

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### **Abstract**

*Microfinance Institutions (MFIs) are those offering the financial services and banking opportunities to unbankable. The study aims at analyzing and comparing the large outreach MFIs in India and Bangladesh by applying mannwhitney u test. The data have been collected from Microfinance Information Exchange (MIX). The large outreach MFIs of India and Bangladesh have the ability to sustain for long period but comparatively Indian MFIs have better performance in terms of debt to equity ratio, gross loan portfolio to total assets, average loan balance per borrower, average loan balance per borrower/GNI per capita, return on equity, financial revenue to assets, profit margin, yield on gross portfolio (nominal), provision for loan impairment to assets, operating expense by assets, operating expense by loan portfolio, average salary by GNI per capita, loan per staff member, personnel allocation ratio and risk coverage.*

**Key words:** *Microfinance, Microfinance Institutions, Financial Performance, Large outreach MFIs, Mann withney u test*

### **Introduction and problem statement:**

Microfinance has emerged as a viable alternative to reach the hitherto unreached for their social and economic empowerment through social and financial intermediation. The institutions that are providing microfinance services such as savings, credit, insurance and remittance services to poor are called Microfinance Institutions (MFIs). MFIs have come up as a bridge between banks and poor, whose only source of credit has so far been the money lender. MFIs are commonly known as “Bank for the poor”. In some countries, MFIs are already numerous and in aggregate serve a large number of clients, manage a significant loan portfolio, and hold an important share of financial assets of poor people. MFIs play a significant role in financial sector development, and thereby, overall development.

India and Bangladesh are two developing economies in the world and poverty is a common problem in these two countries. It becomes imperative to formulate specific situational poverty alleviation policies and programmes for generation of minimum level of income for rural poor which forms substantial percentage of national population in developing societies. Microfinance is an option to resolve this problem of poor people. Bangladesh has been the birth place of microfinance and also pioneer in the world for applying microfinance. The microfinance industry in India started with informal Self Help Group (SHG) to access the much - needed savings and credit services in the early 1980’s and today it has evolved into a vibrant industry exhibiting variety of business model. Going forward, MFIs are likely to expand their client base and reach out to more underserved areas of the country. To provide microfinance and other support services MFIs should be able to sustain for long period. In order to sustain operations, MFIs must generate enough revenues from financial services to cover their financial and operating cost and in many cases, build institutional capital through profit. Financial performance becomes a watchword in the governance

of MFIs. The present study is an attempt to assess the financial performance of Large Outreach Microfinance Institutions operating in India and Bangladesh and to make a comparison thereof.

### Review of Literature

Befekadu B. Kereta (2007)<sup>1</sup>, in his study has attempted to investigate MFIs performance in Ethiopia from outreach and financial sustainability angles and has aimed to identify challenges faced by MFIs. The secondary data of 27 MFIs has been collected from Association of Microfinance Institutions and National bank of Ethiopia for the period 2003-07. The primary data has been collected through representative sample of MFIs i.e., one fourth of MFI operating in country based on the criteria like convenience to reach, outreach deviation and diversion in major objective. Simple correlation, econometric analysis technique and descriptive analysis technique has been employed to analyse the data. The study has found that industry outreach has increased during the study period on average by 22.9 per cent. The study has concluded that MFIs find no evidence of trade-off between outreach and financial sustainability.

K. Awuasabo – Asare, S.K. Anim, A.M. Abane and D. Asare – Minta (2009)<sup>2</sup> in their article has aimed to assess the socio economic status of household clients and non-clients of rural MFIs and government oriented credit programmes; to assess the level of poverty of household involved in rural MFIs in relation to national sample of non-clients; and to assess depth of outreach of selected MFIs. They have used microfinance poverty assessment tool to compute the household level relative poverty scores based on data of 2704 households comprising of 1104 and 1600 non clients and clients respectively. The computed scores have unraveled the depth of outreach of each MFI. The results of study have shown that rural and community banks and the financial NGOs reached out to all categories of clients ranging from extremely poor in the lowest wealth quintile to the poor in highest quintile.

Niels Hermes, Robert Lensink and Aljar Meesters (2009)<sup>3</sup> in their study examines whether there has been a trade-off between outreach to the poor and efficiency of MFIs. They have used stochastic frontier analysis to examine whether there has been trade-off between outreach poor and efficiency of MFI. The study has been conducted with sample of 435 MFIs from Africa, East Africa and Pacific, Eastern Europe and Central Asia, Latin America and Caribbean and South Asia. The data have been collected for the period 1997-2007. Using the sample of more than 1300 observations, they have found that outreach has negatively related to efficiency of MFIs that have lower average loan balances, which are a measure of depth of outreach, are also less efficient. They found evidences showing that MFIs have more women borrower as clients, measure of depth of outreach has shown less efficient.

Bereket Zerai and Lalitha Rani (2011)<sup>5</sup> in their article titled “Is there a trade-off between outreach and sustainability of MFIs? Evidence from Indian MFIs” has tried to examine a trade-off between outreach to the poor and financial sustainability based on the data on 85 Indian MFIs by using correlation matrix. The study has been based on data reported to mix market during the year 2009. The indicators, namely, outreach and financial sustainability has been taken for analysis. These have found that study does not support a tradeoff between outreach and financial sustainability more specifically the simple correlation between average loan size and operational sustainability has been found to be weak. The study has revealed that there is a strong positive correlation between the number of outreach and operational sustainability.

**Objectives of the study**

The study focuses on the following objectives:

- To compare the performance of Large Outreach Microfinance Institutions in India and Bangladesh.

**1. Scope of the Study**

The study is pertaining to microfinance institutions in India and Bangladesh. The comprehensive financial performance indicators model used by Microfinance Information Exchange (MIX) has been chosen for the study. The variables, such as institutional characteristics, financing structure, outreach indicators, overall financial performance indicators, revenue and expenses, efficiency and risk and liquidity have been considered to analyse the financial performance.

**2. Research Methodology**

The study is primarily based on secondary data. The data have been collected from Microfinance Information Exchange (MIX) i.e., www.mixmarket.org. The MFIs for which the financial details have been reported atleast for 5 years continuously have been identified. It is noted that only out of 46 MFIs in India 36 are large outreach and out of 25 MFIs in Bangladesh 23 are large outreach, so these MFIs are compared to evaluate if large outreach MFIs in India are better than Large outreach Bangladesh MFIs. The Wilcoxon rank sum test (also known as the Mann-Whitney U test or the Wilcoxon-Mann-Whitney test) is used to test whether two samples are drawn from the same population. It is most appropriate when the likely alternative is that the two populations are shifted with respect to each other. The test is performed by ranking the combined data set, dividing the ranks into two sets according to the group membership of the original observations, and calculating a two sample z statistic.

**3. Limitations of the study**

The study is subject to the following limitations:

- The limitations inherent in statistical tools apply to this study also.
- Non availability of continuous data from MIX for more than five years has restricted the period and number of MFIs in this study.

**4. Comparison of the Financial Performance of Large outreach MFIs in India and Bangladesh**

The scale of outreach is measured as the total number of borrowers served. The financial performance of large outreach MFIs of India has been compared with that of Bangladesh. Null hypothesis has been framed and tested to ascertain the difference, if any, in the mean ranks of selected parameters:

**Assets**

*H<sub>0</sub>: "There is no significant difference between the mean rank of assets of large outreach MFIs of India and Bangladesh"*

**Table 1.1 Assets of Large Outreach MFIs in India and Bangladesh**

Source: Computed Ns-Not significant

Country	Statistics	Assets
India	Mean (US \$)	93158844.81
	S.D	172919969.7
	N	180

	Mean Rank	149.11
	Sum of Ranks	26839
Bangladesh	Mean (US \$)	137536723.8
	S.D	321210082.1
	N	115
	Mean Rank	146.27
	Sum of Ranks	16821
Test Statistics	Mann-Whitney U	10151
	Wilcoxon W	16821
	Z	-0.278
	Sig.	Ns

The mean value of assets of large outreach MFIs have been higher in Bangladesh than that of India. But a reverse trend is reflected for mean rank. The U test value when converted to Z score (-0.278) has shown that assets large outreach MFIs differ significantly between India and Bangladesh. Hence, the null hypothesis is accepted.

### Financing Structure

*H<sub>0</sub>: "There is no significant difference between the mean rank of financing structure indicators of large outreach MFIs of India and Bangladesh"*

**Table 1.2 Financing Structure of Large Outreach MFIs in India and Bangladesh**

Country	Statistics	Capital/asset ratio	Debt to equity ratio	Gross loan portfolio to total assets
India	Mean	19.17	8.85	85.05
	S.D	13.65	19.43	14.26
	N	180	180	180
	Mean Rank	153.71	144.85	162.58
	Sum of Ranks	27668.5	26072.5	29264
Bangladesh	Mean	17.67	6.27	79.22
	S.D	13.56	12.09	11.21
	N	115	115	115
	Mean Rank	139.06	152.93	125.18
	Sum of Ranks	15992	17588	14396
Test Statistics	Mann-Whitney U	9321.5	9782.5	7726
	Wilcoxon W	15991.5	26072.5	14396
	Z	-1.439	-0.794	-3.672
	Sig.	Ns	Ns	**

Source: Computed Ns-Not significant \*\* significant at 1 per cent

The mean value of capital/asset ratio of large outreach MFIs have been higher in India with 19.17 per cent when compared to 17.67 per cent of Bangladesh. The mean rank has also shown a similar trend. The U test value when converted to Z score -1.439 has revealed that capital/asset ratio of large outreach MFIs does not differ significantly between India and Bangladesh. Hence, the null hypothesis is accepted.

The debt to equity ratio of large outreach MFIs have higher mean value of 8.85 per cent for India when compared to Bangladesh (6.27 per cent). The mean rank is higher for

Bangladesh. The U test value when converted to Z score -0.794 has revealed that debt to equity ratio of Large Outreach MFIs do not differ significantly between the two countries. Hence, the null hypothesis is accepted.

The mean value of gross loan portfolio to total assets of large outreach MFIs have been higher for India with 85.05 per cent than that of Bangladesh with 79.225. The mean rank has reflected the same trend. The U test value when converted to Z score -0.794 has indicated that gross loan portfolio to total assets of large outreach MFIs differ significantly between India and Bangladesh at 1 per cent level. Hence, the null hypothesis is rejected for this variable.

**Outreach**

*H<sub>0</sub>: "There is no significant difference between the mean rank of outreach indicators of large outreach MFIs of India and Bangladesh"*

**Table 1.3 Outreach of Large Outreach MFIs in India and Bangladesh**

Country	Statistics	Number of active borrowers	Average loan balance per borrower	Average loan balance per borrower / GNI per capita	Average outstanding balance
India	Mean	538785	139.53	11.63	195.4
	S.D	1005292.46	52.08	4.96	881.49
	N	180	180	180	180
	Mean Rank	146.08	166.69	102.02	165.02
	Sum of Ranks	26294	30004.5	18363	29703
Bangladesh	Mean	907734	114.71	19.2	110.44
	S.D	1894955.79	34.63	4.95	32.17
	N	115	115	115	115
	Mean Rank	151.01	118.74	219.97	121.37
	Sum of Ranks	17366	13655.5	25297	13957
Test Statistics	Mann-Whitney U	10004	6985.5	2073	7287
	Wilcoxon W	26294	13655.5	18363	13957
	Z	-0.484	-4.709	-11.583	-4.287
	Sig.	Ns	**	**	**

Source: Computed Ns-Not significant \*\* significant at 1 per cent

The mean value of number of active borrowers of large outreach MFIs have been higher for Bangladesh than that of India. The mean rank has also reflected an identical trend. The U test value when converted to Z score -3.672 has revealed that there is no significant difference in the number of active borrowers of large outreach MFIs between India and Bangladesh. Hence, the null hypothesis is accepted for this variable.

The average loan balance per borrower of large outreach MFIs have higher mean value for India when compared to Bangladesh. The mean rank has revealed the same trend. The U test value when converted to Z score -4.709 has shown that average loan balance per borrower of large outreach MFIs differ significantly between U India and Bangladesh. Hence, the null hypothesis is rejected for this variable.

The average loan balance per borrower/GNI per capita of large outreach MFIs have shown higher mean value of 19.20 per cent for Bangladesh when compared to 11.63 per cent for India. The mean rank has also exhibited a similar trend. The U test value when converted to Z score -11.583 has shown that average loan balance per borrower/GNI per capita of large outreach MFIs differ significantly between India and Bangladesh at 1 per cent level. Hence, the null hypothesis is accepted for this variable.

The average outstanding balance of large outreach MFIs have revealed higher mean value for India with 195.40 per cent when compared to that of Bangladesh 110.44 per cent. The mean rank has also recorded identical trend. The U test value when converted to Z score -4.287 has indicated that there is a significant difference in the average outstanding balance between India and Bangladesh at 1 per cent level. Hence, the null hypothesis is rejected for this variable.

### Overall Financial Performance

*H<sub>0</sub>: "There is no significant difference between the mean rank of overall financial performance indicators of large outreach MFI of India and Bangladesh"*

**Table 1.4 Overall Financial Performance of Large Outreach MFIs in India and Bangladesh**

Country	Statistics	Return on assets	Return on equity	Operational self sufficiency
India	Mean	0.66	16.76	114.2
	S.D	8.74	49.17	35.02
	N	180	180	180
	Mean Rank	148.42	154.3	152.02
	Sum of Ranks	26716	27774.5	27363
Bangladesh	Mean	1.63	-16.11	117.61
	S.D	5.09	143.9	59.17
	N	115	115	115
	Mean Rank	147.34	138.13	141.71
	Sum of Ranks	16944	15886	16297
Test Statistics	Mann-Whitney U	10274	9215.5	9627
	Wilcoxon W	16944	15885.5	16297
	Z	-0.106	-1.588	-1.012
	Sig.	Ns	Ns	Ns

Source: Computed Ns-Not significant

The mean value of ROA of large outreach MFIs have been higher for Bangladesh with 1.63 per cent when compared to that of India with 0.66 per cent. The mean rank has revealed a reverse trend. The U test value when converted to Z score -0.106 has revealed that ROA of large outreach MFIs does not differ significantly between India and Bangladesh. Hence, the null hypothesis is accepted for this variable.

The mean value ROE of large outreach MFIs have been higher for India with 16.76 per cent than that of Bangladesh with -16.11 per cent. The mean rank also revealed the same trend. The U test value when converted to Z score -1.588 has converted that ROE of large Outreach MFIs does not differ significantly between India and Bangladesh. Hence, the null hypothesis is accepted for this variable.

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The mean value of OSS of large outreach MFIs have been higher for Bangladesh with 117.61 per cent when compared to that of India 114.20 per cent. But a reverse trend is reflected for the mean rank. The U test value when converted to Z score -1.012 has revealed that OSS of large outreach MFIs does not differ significantly between India and Bangladesh. Hence, the null hypothesis is accepted for this variable.

### Revenue and Expenses

*H<sub>0</sub>: "There is no significant difference between the mean rank of revenue and expense indicators of large outreach MFIs of India and Bangladesh"*

**Table 1.5 Revenue and Expenses of Large Outreach MFIs in India and Bangladesh**

Country	Statistics	FR/A	PM	YGP(N)	TE/A	FE/A	PLI/A	OE/A
India	Mean	21.94	7.15	24.08	20.48	8.96	0.96	10.19
	S.D	7.56	86.48	9.01	8.62	2.36	1.51	6.28
	N	180	180	180	180	180	180	180
	Mean Rank	165.07	153.34	155.93	161.69	198.43	122.86	128.45
	Sum of Ranks	29712.5	27601.5	28066.5	29104	35716.5	22114	23121.5
Bangladesh	Mean	19.33	5.59	22.97	17.75	4.36	1.68	12.06
	S.D	4.28	30.27	4.74	5	2.4	1.58	4.13
	N	115	115	115	115	115	115	115
	Mean Rank	121.28	139.64	135.6	126.57	69.07	187.36	178.6
	Sum of Ranks	13948	16059	15594	14556	7944	21546	20539
Test Statistics	Mann-Whitney U	7277.5	9388.5	8923.5	7886	1273.5	5824	6831.5
	Wilcoxon W	13947.5	16058.5	15593.5	14556	7943.5	22114	23121.5
	Z	-4.3	-1.346	-1.996	-3.448	-12.702	-6.334	-4.924
	Sig.	**	Ns	*	**	**	**	**

Source: Computed Ns-Not significant \*significant at 5 per cent \*\* significant at 1 per cent

The mean value of financial revenue/assets of large outreach has been higher for India with 21.94 per cent when compared to that of Bangladesh with 19.33 per cent. The same is reflected in the mean rank also. The U test value when converted to Z score -4.30 has revealed that financial revenue/assets of large outreach MFIs differ significantly at 1 per cent level between the two countries. Hence, the null hypothesis is rejected for this variable.

The mean value of profit margin of large outreach MFIs have been higher for India with 7.15 per cent than that of Bangladesh with 5.59 per cent. The same is reflected in the mean rank also. The U test value when converted to Z score -1.346 has indicated that profit margin does not differ significant between India and Bangladesh. Hence, the null hypothesis is accepted for this variable.

The yield on gross portfolio (nominal) of large outreach MFIs have a higher mean value of 24.08 per cent for India when compared to 22.97 per cent for Bangladesh. The same is revealed in the mean rank. The U test value when converted to Z score -1.996 has revealed that yield on gross portfolio (nominal) of large outreach MFIs differ significantly between India and Bangladesh at 5 per cent level. Hence, the null hypothesis is rejected for this variable.

The mean value of total expense/assets of large outreach MFIs have been higher for India with 20.48 per cent when compared to that of Bangladesh with 17.75 per cent. The same is revealed in the

mean rank. The U test value when converted to Z score -3.448 has indicated that total expense/assets of large outreach MFIs differ significantly between India and Bangladesh at 1 per cent level. Hence, the null hypothesis is rejected for this variable.

The financial expense/assets of large outreach MFIs have a higher mean value of 8.96 per cent for India when compared to 4.36 per cent for Bangladesh. The same is reflected in the mean rank. The U test value when converted to Z score -12.702 has revealed that financial expense/assets of large outreach MFIs differ significantly between India and Bangladesh at 1 per cent level. Hence, the null hypothesis is rejected for this variable.

The mean value of provision for loan impairment/assets of large outreach MFIs have been higher for Bangladesh with 1.68 per cent when compared to that of India with 0.96 per cent. The same is revealed in the mean rank. The U test value when converted to Z score -6.334 has revealed that provision for loan impairment/assets of large outreach MFIs differ significantly between India and Bangladesh at 1 per cent level. Hence, the null hypothesis is rejected for this variable.

The operating expense/assets of large outreach MFIs have higher mean value of 12.06 per cent for Bangladesh when compared to 10.19 per cent for India. The similar trend is reflected in the mean rank. The U test value when converted to Z score -4.924 has revealed at operating expense/assets of large outreach MFIs differ significantly between India and Bangladesh at 1 per cent level. Hence, the null hypothesis is rejected for this variable.

### Efficiency

*H<sub>0</sub>: "There is no significant difference between the mean rank of efficiency indicators of large outreach MFIs of India and Bangladesh"*

**Table 1.6 Efficiency of Large Outreach MFIs in India and Bangladesh**

Country	Statistics	OE/LP	AS/ GNI per capita	CPB	LPSM	PeAR
India	Mean	13.07	1.73	17.02	305	59.88
	S.D	11.12	0.84	12.87	210.57	21.28
	N	180	180	180	180	180
	Mean Rank	123.14	110.4	141.21	182.59	166.04
	Sum of Ranks	22165	19872.5	25418.5	32867	29887
Bangladesh	Mean	16.95	2.85	16.34	154	53.15
	S.D	18.33	0.97	6.97	48.62	20.11
	N	115	115	115	115	115
	Mean Rank	186.91	206.85	158.62	93.85	119.77
	Sum of Ranks	21495	23788	18242	10793	13773
Test Statistics	Mann-Whitney U	5875	3582.5	9128.5	4123	7103
	Wilcoxon W	22165	19872.5	25418.5	10793	13773
	Z	-6.263	-9.471	-1.712	-8.715	-4.544
	Sig.	**	**	Ns	**	**

Source: Computed Ns-Not significant \*\* significant at 1 per cent

The operating expense/loan portfolio of large outreach MFIs have higher mean value of 16.95 per cent for Bangladesh when compared to 13.07 per cent for India. Similar trend is revealed in the

mean rank. The U test value when converted to Z score -6.263 has revealed that operating expense/loan portfolio of large outreach MFIs differ significantly between India and Bangladesh at 1 per cent level. Hence, null hypothesis is rejected for this variable. The mean value of average salary/GNI per capita have been higher for Bangladesh with 2.85 per cent when compared to that of India with 1.73 per cent. The same is reflected in the mean rank. The U test value when converted to Z score -9.471 has revealed that average salary/GNI per capita differs significantly at 1 per cent level between the two countries. Hence, null hypothesis is rejected for this variable.

The mean value of cost per borrower of large outreach MFIs have been higher for India with 17.02 than that of 16.34 of Bangladesh. The reverse trend is reflected in the mean rank. The U test value when converted to Z score -1.712 has revealed that there is no significant difference in the cost per borrower of large outreach MFIs between India and Bangladesh. Hence, null hypothesis is accepted for this variable.

The mean value of loans per staff member of large outreach MFIs have been higher for India with 305 when compared to Bangladesh with 154. The same is reflected in the mean rank. The U test value when converted to Z score -8.715 has indicated that loans per staff member of large outreach MFIs differ significantly between and Bangladesh at 1 per cent level. Hence, null hypothesis is rejected for this variable. The mean value of personnel allocation ratio of large outreach MFIs has been higher in India with 59.88 per cent when compared to that of Bangladesh with 53.15 per cent. The similar trend is indicated in the mean rank. The U test value when converted to Z score -4.544 has indicated that personnel allocation ratio differ significantly between India and Bangladesh at 1 per cent level. Hence, null hypothesis is rejected for this variable.

**Risk and Liquidity**

*H<sub>0</sub>: "There is no significant difference between the mean rank of risk and liquidity indicators of large outreach MFIs of India and Bangladesh"*

**Table 1.7 Risk and Liquidity of Large Outreach MFIs in India and Bangladesh**

Country	Statistics	PAR > 90 days	Risk coverage	NELA as a per cent of total assets
India	Mean	7.08	2307.37	16.89
	S.D	30.9	18608.74	11.81
	N	180	180	180
	Mean Rank	120.9	146.73	148.28
	Sum of Ranks	21762	26410.5	26690
Bangladesh	Mean	6.05	95.87	15.97
	S.D	9.42	100.22	10.18
	N	115	115	115
	Mean Rank	190.42	150	147.57
	Sum of Ranks	21898	17250	16970
Test Statistics	Mann-Whitney U	5472	10120.5	10300
	Wilcoxon W	21762	26410.5	16970
	Z	-6.839	-0.322	-0.07
	Sig.	**	Ns	Ns

Source: Computed Ns-Not significant \*\* significant at 1 per cent

The mean value of PAR > 90 days of large outreach MFIs have been higher for India with 7.08 per cent when compared to that of Bangladesh with 6.05 per cent. The reverse trend is reflected in mean rank. The U test value when converted to Z score -6.839 has revealed that PAR > 90 days of large outreach MFIs differ significantly between the two countries at 1 per cent level. Hence, null hypothesis is rejected for this variable.

The risk coverage of large outreach MFIs have higher mean value for India with 2307.37 per cent when compared to that of Bangladesh with 95.87 per cent. The reverse trend is reflected in the mean rank. The U test value when converted to Z score -0.322 has revealed that the risk coverage of large outreach MFIs do not differ significantly between India and Bangladesh. Hence, null hypothesis is accepted for this variable.

The NELA as a per cent of total assets have higher mean value for India with 16.89 per cent than that of Bangladesh with 15.97 per cent. The same is reflected in the mean rank. The U test value when converted to Z score -0.070 has indicated that NELA as a per cent of total assets of large outreach MFIs does not differ significantly between India and Bangladesh. Hence, null hypothesis is accepted for this variable.

### Findings and Conclusion

A significant difference is observed between the MFIs of both the countries having large outreach in the mean ranks of the variables, namely, gross loan portfolio to total assets, average loan balance per borrower, average loan balance per borrower/GNI per capita, average outstanding balance, financial revenue to assets, yield on gross portfolio (nominal), total expense/assets, financial expense to assets, provision for loan impairment to assets, operating expense by assets, operating expense by loan portfolio, average salary by GNI per capita, loan per staff member, personnel allocation ratio and portfolio at risk greater than 90 days. But the mean ranks of these MFIs do not significantly differ for assets, capital asset ratio, debt to equity ratio, number of active borrower, return on assets, return on equity, operational self-sufficiency, profit margin, cost per borrower, risk coverage and non-earning liquid assets as a per cent of total assets.

The large outreach MFIs of India have revealed a better performance in variables, namely, debt to equity ratio, gross loan portfolio to total assets, average loan balance per borrower, average loan balance per borrower/GNI per capita, return on equity, financial revenue to assets, profit margin, yield on gross portfolio (nominal), provision for loan impairment to assets, operating expense by assets, operating expense by loan portfolio, average salary by GNI per capita, loan per staff member, personnel allocation ratio and risk coverage.

The large outreach MFIs of Bangladesh have performed better in variables, namely, assets, capital assets ratio, number of active borrowers, average outstanding balance, return on assets, operational self-sufficiency, total expense to assets, financial expense to assets, cost per borrower, portfolio at risk greater than 90 days and non-earning liquid assets as a per cent of total assets.

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## AN ANALYTICAL STUDY ON FDI EQUITY INFLOWS INTO INDIA – A SECTORAL OVERVIEW

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### Abstract

Foreign Direct Investment is a key element in international economic integration. FDI creates direct, stable and long lasting links between economies. It encourages the transfer of technology and know-how between countries, and allows the host economy to promote its products more widely in international market. FDI is also an additional source of funding for investment and, under the right policy environment; it can be an important vehicle for development. The recent trends in FDI and policy liberalization in China, Eastern Europe, India and in a number of other developing countries is a clear indication of the wide acceptance of the positive role of foreign technology and FDI in the economic development of the developing countries.

**Keywords:** Foreign Direct Investment, technology transfer, Gross domestic Product.

### Introduction

The world is a global village and we are in the globalized era. No country is an exception to be isolated from this system. It is inevitable that the emerging nations will decide the overall economic growth of the world. The average world Gross Domestic Product (GDP) is 3.1 per cent, at the same time the Gross Domestic Product of emerging countries are China 11 per cent, Brazil 5.4 per cent, Russia 8.1 per cent and India 9 per cent. The aggregate of these countries population is more than one third of the world population. Any adverse impact on these economies will affect the world economy also. The emerging countries like Brazil, Russia, India, China, South Africa (BRICs) Nations are having their own strength exclusively. India is the biggest consumer market and the more educated younger population is the added advantage. Likewise each and every developing nation has its own advantage. But to utilize all these available resources, almost all these nations require more Capital. It is needless to emphasis that the capital formation will always be low in the emerging nations. The pave way for economic development is looking for Foreign Direct Investment. India is no exception for this.

India has been a major recipient of FDI Inflows in the majority of sectors. In the post liberalization era, India is known to have attracted a large amount of Foreign Direct Investment. Foreign direct investment in India is allowed freely in most of the sectors, except a few, where specific guidelines are given for foreign direct investment beyond a limit. After liberalization its role has changed significantly. Progressive liberalization of FDI policy has strengthened investors' confidence with opening up of new sectors like integrated township, tea plantation etc. India's capacity as a host nation in attracting FDI has been enhanced during the post reforms period. Earlier the amount of FDI was low covering some selected sectors, but now the inflow of FDI has grown

tremendously and almost in all the sectors of the economy. Revision of FDI policy during 2005 opened the few sectors for the foreign investors to start their business.

### **Review of Literature**

**Shalini Aggarwal, Ankush Singla, Ritu Aggarwal (2012)**, 'Foreign Direct Investment in India' through this paper the researchers tried to study the need of FDI in India, to exhibit the sector-wise and year-wise analysis of FDI's in India, to rank the sectors based upon highest FDI inflows. The results show that Mauritius is the country that has invested highly in India followed by Singapore, Japan, and USA and so on. It can be observed from the analysis of this paper that at the sectoral level of the Indian economy, FDI has helped to raise the output, productivity and employment in some sectors especially in service sector. Indian service sector is generating the proper employment options for skilled workers with high perks. On the other side banking and insurance sectors help in providing the strength to the economic condition and develop the foreign exchange system in the country.

**S.Harish Babu (2012)**, 'Foreign Direct Investment in India and Its Economic Significance in Relation to Development of Various Sectors' concludes that the most liberal policies for foreign investment and technology transfer is followed in India. Foreign investment gives the Indian industry a chance for technological up gradation, access to global managerial skills and practices, optimum utilization of human capital and natural resources, and to compete efficiently in the international market.

**Amit Saini , Pankaj Madan and S. K. Batra (2014)** "Role of FDI Inflow in Indian growth perspective" in this paper, the researcher examined the sectoral trend of FDI inflows and the major sources in terms of investing countries of FDI inflows in India during twelve years from 2000 to 2012. In India some of the sectors such as service sector, telecommunication sectors are most preferred in terms of foreign investment and Mauritius and Singapore are such countries which revealed full confidence in India concerning to FDI inflow. However, India receives comparatively much lesser FDI than china and other smaller economies in Asia. To achieve the highest foreign investment, India needs to develop such an attractive investment avenues and need to frame liberal economic policies and required to develop the level of infrastructure in India.

### **Objective of the Study**

- To study the trend of sector wise analysis of FDI equity inflows into India.

### **Methodology**

**Source of data:** The study is based on secondary data. The required data have been collected from the Bulletin of RBI.

**Period of the study:** The study covers a period of 5 years from 2012 to 2017. The accounting year starts from 1<sup>st</sup> April and ends with 31<sup>st</sup> March.

### **Tools for Analysis**

- Percentage Analysis
- Trend Analysis

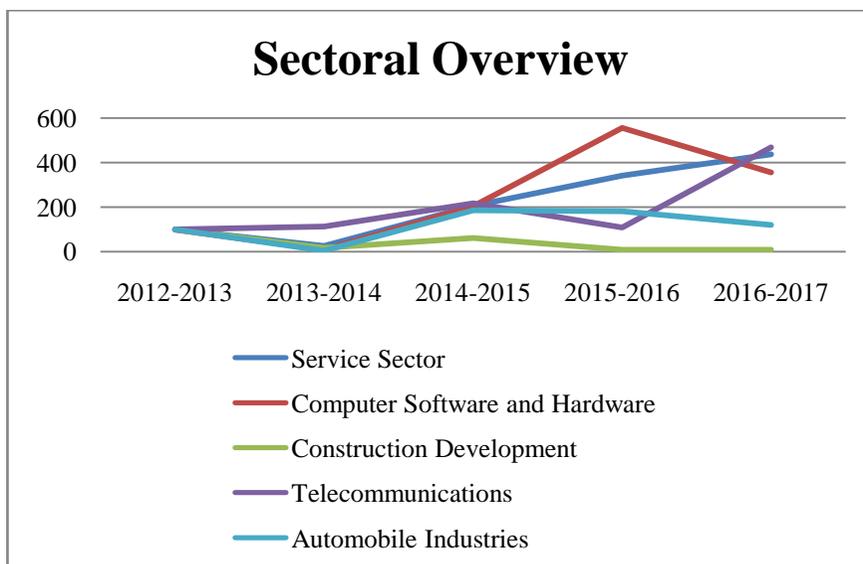
## Analysis and Findings

## Percentage Analysis

Sectors		12-13	13-14	14-15	15-16	16-17
Service Sector	Rs.in Crores	13,294	3,445	27,369	45,415	58,214
	percentage	(10.90)	(2.34)	(14.47)	(17.31)	(19.96)
Computer Software and Hardware	Rs.in Crores	6,896	668	14,162	38,351	24,605
	percentage	(5.66)	(0.45)	(7.49)	(14.62)	(8.44)
Construction Development	Rs.in Crores	7,508	1,317	4,652	727	703
	percentage	(6.16)	(0.89)	(2.46)	(0.27)	(0.24)
Telecommunications	Rs.in Crores	7,987	8,966	17,372	8,637	37,435
	percentage	(6.55)	(6.08)	(9.18)	(3.29)	(12.83)
Automobile Industries	Rs.in Crores	9,027	436	16,760	16,437	10,824
	percentage	(7.40)	(0.30)	(8.86)	(6.27)	(3.71)
<b>Total FDI Equity Investment Inflows</b>		<b>1,21,907</b>	<b>1,47,518</b>	<b>1,89,107</b>	<b>2,62,322</b>	<b>2,91,696</b>

## Trend Analysis

SECTORS		12-13	13-14	14-15	15-16	16-17
Service Sector	Rs.in Crores	13,294	3,445	27,369	45,415	58,214
	Trend percentage	100	25.91	205.87	341.62	437.89
Computer Software and Hardware	Rs.in Crores	6,896	668	14,162	38,351	24,605
	Trend percentage	100	9.68	205.36	556.13	356.80
Construction Development	Rs.in Crores	7,508	1,317	4,652	727	703
	Trend percentage	100	17.54	61.96	9.68	9.36
Telecommunications	Rs.in Crores	7,987	8,966	17,372	8,637	37,435
	Trend percentage	100	112.26	217.53	108.14	468.69
Automobile Industries	Rs.in Crores	9,027	436	16,760	16,437	10,824
	Trend percentage	100	4.83	185.66	182.08	119.90



In India about 58% of cumulative FDI inflows have been attracted in four sectors; Computer software and Hardware, Services sector, Telecommunications sector, Automobile industries, and the remaining FDI inflows were received by rest of economy during 2012 to 2017. Among all, Service sector remained on top priority for investment in India on account of low cost of labour force and wide gap between demand and supply of financial services.

### **Conclusion**

There is a global race for attracting FDI in all developed and developing countries of the world. Although, the developing countries need to modify the level of educational, technological and infrastructure background to promote the FDI, India has observed a remarkable growth in the flow of FDI in the last one decade. One of the significant reasons to invest in India is the youth of this country who are brand loyal and more conscious about taste and preference. In India some of the sectors such as Service sector, Telecommunication sectors are most preferred in terms of foreign investment. To achieve the highest foreign investment India need to develop such an attractive investment avenues and need to frame liberal economic policies and required to develop the level of Infrastructure in India.

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## PERFORMANCE EVALUATION OF SELECT KOTAK EQUITY FUNDS

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### Abstract

*Mutual fund is one of the most preferred investment alternatives for the risk avert investors as it offers chance to invest in a diversified, professionally handled portfolio at low cost. With emphasis on increase in domestic savings and increase in investment through capital markets, the need of mutual fund operation has increased tremendously. Mutual fund performs different roles for different constituencies and their primary role is to assist investors in earning an income or building their wealth, by participating in the opportunities available in various securities and markets.*

*Key words: Mutual fund, investment, sharpe, beta, standard deviation, portfolio turnover*

### Introduction

Mutual fund is the most suitable investment vehicle for the common man as it offers an opportunity to invest in a diversified portfolio. The most common features of the mutual fund unit are small amount of investments, possibility of higher return per se, low administrative cost and informed management taking decisions. Mutual fund industry is part of a well regulated investment environment where the interests of the investors are protected by the regulator. All funds are registered with SEBI and complete transparency is enforced. Mutual funds can also act as a market stabilizer, in countering large inflows or outflows from foreign investors. Mutual funds are therefore viewed as a key participant in the capital market

### Review of Literature

- **Jensen** (2011) developed a composite portfolio evaluation technique concerning risk-adjusted returns. He evaluated the ability of 115 fund managers in selecting securities during the period 1945-1966. Analysis of net returns indicated that 39 funds had above average returns, while 76 funds yielded abnormally poor returns. Using gross returns, 48 funds showed above average results and 67 funds below average returns. Jensen concluded that, there was very little evidence that funds were able to perform significantly better than expected as fund managers were not able to forecast securities price movements.
- **Garg** (2011) examined the performance of top ten mutual funds that was selected on the basis of previous years return. The study analyzed the performance on the basis of return, standard deviation, beta as well as Treynor, Jensen and Sharpe indexes. The study also used Carhart's four-factor model for analyzing the performance of funds. The results revealed that Reliance Regular Saving Scheme Fund had achieved the highest final score and Canara Robeco Infra had achieved the lowest final score in the one year category

**Research Problem**

Mutual funds seek to mobilize money from all possible investors having different investment preferences. Every scheme has a pre-announced investment objective. When investors are investing in a mutual fund scheme, they are effectively buying into its investment objective. The research intends to focus on the performance evaluation of Kotak Mutual funds.

**Research Methodology**

To examine the Mutual Fund Schemes performance, Equity schemes were selected which were offered by Kotak Mutual Fund. NAVs of these schemes are collected. The source of data used in this paper is secondary data from various journals, internet, articles, and previous research papers.

**Objectives**

1. To study the performance of Mutual fund with the help of different parameters such as Standard deviation, Beta, Sharpe Ratio and Portfolio turnover.

**Limitations**

- Only one month data relating to Kotak equity funds are taken for analysis
- The mutual fund and security investment are subjected to market risk and there can be no assurance or guarantee that the schemes objectives will be achieved in future also

**Analysis and Interpretation**

Equity Funds	Portfolio Turnover	Beta	Sharpe	Standard Deviation
Kotak classic equity	103.87%	0.96	0.45	13.05%
Kotak Opportunities	38.82%	0.99	0.64	13.91%
Kotak Select Focus fund	20.13%	0.99	0.63	13.75%
Kotak Tax Saver	33.05%	1.03	0.51	14.58%
Kotak Mid-Cap	47.40% %	0.96	0.81	15.29
Kotak Emerging Equity	33.19%	0.89	0.88	14.60
Kotak Infrastructure & economic reform fund	39.61%	0.95	0.69	14.88%
Kotak Balance	31.71	1.13	0.51	10.64%
Kotak Equity arbitrage	357.23%	0.45	0.60	0.45%
Kotak Equity Savings fund	133.80	0.93	0.74	3.27%
Kotak 50	55.41%	0.97	0.41	13.33%

**Findings****Portfolio Return**

Portfolio turnover is a measure of how frequently assets within a fund are bought and sold by the managers. Kotak Equity arbitrage has high turnover ratio consistently, time and again delivered above average category returns compared to its peers. At the same time, despite having a low turnover ratio, the Kotak Tax Saver has lagged its peers in returns.

**Beta**

A beta determines the risk of a fund in comparison to that of its index or bench mark. From the above calculations Kotak classic equity, Kotak Opportunities, Kotak Select Focus fund, Kotak Tax Saver, Kotak Mid-Cap, Kotak Infrastructure & economic reform fund, Kotak Balance, Kotak Equity Savings fund and Kotak 50 are very close to 1 and this means the fund performance is similar to its benchmark indices. Kotak Equity arbitrage is less than 1 and this means less volatile than its bench mark.

**Sharpe**

Sharpe measures excess returns earned over risk free return per unit of risk, higher positive values of sharpe found in Kotak Opportunities, Kotak Select Focus fund, Kotak Mid-Cap, Kotak Emerging Equity, Kotak Infrastructure & economic reform fund, Kotak Equity arbitrage, Kotak Equity Savings fund, Kotak Balance and Kotak Tax Saver among all funds least performer is Kotak 50 and Kotak classic equity.

**Standard deviation**

Standard deviation of a fund measures the risk by measuring the degree to which the fund fluctuates in relation to its average return of a fund over a period. From the above table Kotak Equity arbitrage and Kotak Equity Savings fund are less risk than other funds. Kotak Mid-Cap is of more risk than others.

**Conclusion**

In this highly volatile market, small investors should take a mutual fund route to investment in risky funds to maximize the returns and avail professional help coming with low costs. They should be dynamic in regrouping the portfolio periodically to invest in the growing segments of business.

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## **MARKET POTENTIAL ANALYSIS ON MILKY MIST PRODUCT**

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### **Abstract**

*This article is a part of a specific research output called Quality Influence on the Performance and Competitiveness of the Company. One of the research phases is elaborated in this article; its subject is measuring customer satisfaction with the quality of food products companies. This article aim is to determine the level of customer satisfaction with the quality of food production enterprises. The partial aim of the article is to identify factors that have the greatest influence on the customer satisfaction. The research confirms close relations between customers, quality perception, their satisfaction and the level of fulfilment of their demands.*

**Keywords:** *Customer satisfaction, quality, food industry, quality management, company performance, competition, repurchase, customer expectation.*

### **Introduction**

The importance dairying in the country like India hardly needs emphasizing. India has vast resource of livestock which play an important role in national economy. And also in socioeconomic developments of millions of rural households. During 1950's to 1960's India was one of the largest importers of dairy products. Traditionally milk production in India has been closely integrated with crop production. India is currently the largest producer of milk in the world. The population growth, urbanization growth, income growth, high income elasticity demand and changes in food habits that fueled the increase in milk consumption are expected to continue well into the new millennium creating the livestock revolution. This chapter focuses on descriptive analysis of the personal data of 120 sample respondents. It also aims at presenting the profile of the respondents, problems faced by them in purchasing dairy products and consumer's satisfaction towards dairy products. In this chapter the attitude of the respondents towards various attributes of dairy products has also been analyzed. Problems of consumers have been analyzed on the basis of five levels like strongly agree (SA), agree (A), no opinion (NO), disagree (DA) and strongly disagree (SDA). Consumers' satisfaction have been analyzed based on a five point scaling method like highly satisfied (HS), satisfied (S), neither satisfied nor dissatisfied (NSND), dissatisfied (DS) and highly dissatisfied (HDS). The study has been entitled as "Consumers' Perception towards milky mistproducts in Coimbatore district". In this study the growth of dairy sector and the various schemes implemented by the Government of India to improve the milk production are discussed. Also the role of private players in the Indian dairy industry is also analyzed. The name of the

Company is Milky Mist Dairy Food Pvt.Ltd. It belongs to the Consumer staples Sector. It comes under the Consumer products Industry. It comes under the Packaged food Industry Sub-Industry. It is established during the year 1990's. The corporate address of milky mist is 104/9 Erode Road, Chittode Erode, 638102, INDIA. Their Business Operation is to Offer Premium Quality dairy products in INDIA. Their Financial (ending year 2013-14) turnover is around Rs.121 crore. Their Clients are Reliance Fresh, Metro cash & carry Big Bazaar, MTR, ITC group of hotels, Walmart, Easy day, Star bazaar, Max, Hyper city, Taj group of Hotels, LeMeridien, Residency, Kannan departmental stores, Jai surya etc.

### **Objectives**

The objectives of the study are to study the profile of milky mist at Global level. To examine the profile of milky mist at National level. And to analyze the profile of milky mist at District (Coimbatore) level. Also to observe the socio-economic profile of the respondents. Then to discuss the consumption pattern of the respondents towards milk and dairy products of milky mist. Next is to study the brand preferences and influencing factors of the respondents towards milky mist products. Also to find out the satisfaction level of the respondents. And also to analyze the problems faced by the respondents in milky mist products. Finally to offer findings and suggestions for the development of the milky mist product.

### **Review of literature**

As the largest single dairy producing country, India's output continues to grow strongly in the 3-4 percent range, largely in response to internal demand growth and sustained by increasing productivity (Gupta, 2007). India accounts for over half the total milk output of Asia. India is considered as a major milk deficit countries in Asia and Africa. Major importers of milk and dairy products are Bangladesh, China, Hong Kong, Singapore, Thailand, Malaysia, the Philippines, Japan, UAE, Oman, and other gulf countries, all located close to India. There is vast potential for the export of dairy products, the cost of milk production in India being the lowest. Given recent high international prices, India has started to enter certain export markets; particularly for skimmed milk powder. Indian companies like Nestle, Amul, Varshney Bhandu Pvt. Ltd., Harbansh Lal Foods, Shree Vinayak Ingredients, Milky mist etc. Manufacturing and exporting skimmed milk powder. The major factor influencing production and export of milk products would be the newer uses that may be developed through R&D support. Milk proteins are being utilized increasingly replacing animal and vegetable proteins in special bakery products and instant foods. Through the application of membrane process, milk proteins isolates are being produced. There is scope for introducing newer plants adopting newer processes by the dairy industry in the country.

Dhanabalan.M.(2009) opined that dairy has an important role in improving the overall economic conditions of rural India. To maintain the ecological balance, there is need for sustainable and balanced development of agriculture and allied sectors. From our first plan onwards, planners have given priority to allied sector for the economic development of the rural sector. Dairy farming is described as a small industry which provides gainful employment opportunities. It comprises of about six per cent of the national income. Mandeep Singh and Joshi.A.S.(2008) reported the economic analysis of dairy farming has been reported for marginal and small farmers in Punjab for

the year 2003-04. It has been found that a majority of the farm households are not able to meet their requirements from their income from crops. The study has suggested to further exploit the potential of off-farm sources towards meeting the domestic expenditure. Also, the technical efficiency of crops and dairy farming should be improved to provide more income to farmers. Islam. S.,Goswami.A. and Mazumdar. D. (2008) have analysed Tehatta-II block of Nadia district in West Bengal. There were 17 blocks in the Nadia district of which Tehatta-II block was selected purposely. The block consisted of 7 gram panchayats and 2 gram panchayats namely Palsunda-I and Barnia were selected randomly. The study revealed that crossbreed cows were more economical and gave higher yield than the indigenous cows and inclusion of a few crossbreed cows can increase the income of a dairy entrepreneur and provide gainful and round the year employment. SintayehuYigrem, et al.(2008)studied about two hundred forty dairy producers. Both rural and urban producers in the four major towns representing the area in southern Ethiopia, were selected using a multi-stage sampling techniques, with the objective of characterizing dairy production, processing/handling, marketing systems as well as to prioritize constraints and opportunities for dairy development in the area. Dairy marketing systems were studied with the help of topical guidelines. Dairy producers were interviewed using a pre-tested and structured formal questionnaire. RadhaKrishnan, Nigam.S, and Shantanu Kumar (2008) in their opinion growing human population, rising per capita income and increasing urbanization are fuelling rapid growth in the demand for food and animal origin in developing countries. India possesses the largest livestock population in the world. The large population of livestock in India productivity of Indian livestock is low compared to many developing countries. Waghmare P.R. and Hedgire D.N. (2007)opined that Milk productions in India during 1950-51 was 17 million tones which has reached 78 million tones in 1997-98. Presently India ranks first in the world in milk production. The Operation Flood Programme was instrumental in dairy development activities. These programmes are useful in upgrading the standard of living of farmers. Ramakrishnappa.V. and Jagannatha Rao.R.(2006)opined that the dairy enterprise is an established sector in rural India and is playing a vital role in generating additional income and employment. In Karnataka, dairy development is a positive and significant as state contributes towards milk production, marketing, and processing of various dairy products in India. The microfinance programmes extended in dairy sector are helpful to take up dairy as main occupation among economically backward communities in the state. In this paper, an attempt was made to analyze the different aspects of microfinance scheme implemented by KBCDC.

Rawal and Vikas (2001) analysed that the comparison of caste, education and land holding of MS farmers with NMS farmers points to a larger proportion of households belonging to the backward caste, being less educated and holding lower size of land are not able to participate in dairying. A recent study of two dairy co-operatives in Gujarat argued that inequality in land ownership, caste, illiteracy and undemocratic functioning of co-operatives are the barriers to entry. Illiteracy might not be a factor in Kerala but land ownership could be one, as among the lower size class of land owners smaller proportion seem to be keeping cattle. Gautam Kakaty and MoromiGogoi (2001) animal husbandry plays a pivotal role in the agrarian economy of India. It is closely interlinked with the socioeconomic matrix of rural society. The development of livestock

sector has been receiving significant priority in India in the last two to three decades. Dairy sector contributes significantly in generating employment opportunities and supplementing the income of small and marginal farmers providing by them food security. Narayana (2001) opined that the work status of the adult population has no significant difference between MS farmers and NMS farmers could be observed. Women, however, devoted considerable amount of time for dairying, irrespective of whether they reported as working or not working and giving the reason as housewife. Obviously, the categories of work status and employment often used are not very useful in capturing the work input of women in dairying. Time disposal studies do help to bring this aspect of work and show that women's role in cattle keeping is great. The initiatives undertaken such as Malabar Rural Development Foundation for improving the quality of dairy farmers are welcome as they go beyond the landless as their participation in dairying is low. This needs to be kept in mind while planning welfare interventions.

### Research Methodology

Research methodology is a way to study a problem systematically and scientifically. In this we study the various factors causing the problem along with the logic behind them. It is necessary for the researcher to know not only the research method or technique but also the methodology. A questionnaire was prepared for the research into customer satisfaction with the products of milky mist. The respondents filled out the questionnaire themselves. Its introduction included identification of the product and product range, while the conclusion included the identification of the respondent. The main part of the questionnaire, focussed on customer satisfaction, contained 20 questions, 16 of which were close-ended questions (5-point scale), four were semi-open questions and two were open ended questions. One of the latter was divided into semi-open sub-questions. The primary data were collected through a questionnaire to analyse the customer satisfaction towards milky mist. And the Secondary data were collected from books, websites, reports and pamphlets. The Research design adopted for this study is one of the "descriptive" in the nature. To measure the customer satisfaction towards milky mist sample "120 customers" were selected for this study. The data collected from respondents were analyzed using the percentage analysis.

### Results and Discussions

From the above table, it is clear that 64.2% of the respondents belong to male category and 35.8% belong to female category. 11.8% of the respondents belong to below 20 age group, 31.9% belong to 20-30 age group, 37.8% of the respondents belong to 30-40 age group and remaining of the respondents belong to above 40 age group, it is clear that the marital status of the customers is found that 120 of the respondents 40% belong to unmarried and 60% belong to married. Nearly 9.2% always change their product and 38.3% often change their product, the people who sometimes change their product are 37.5% and the persons who use rarely change their products are 11.7%. From the survey it is clear that how much does the customers rate milky mist out of 5. 2.7% of the respondents give 1 rating to milky mist, 4% of the respondents give 2 rating to milky mist, 20.8% of the respondents give 3 rating to milky mist, 50.8% of the respondents give 4 rating to milky mist, 21.7% of the respondents give 5 rating to milky mist. 34.2% where buy their product in departmental stores, 37.5% where buy their product in retail shop and 10.8% buy their product in sales persons,

## **National Conference on RECENT ADVANCEMENTS IN BUSINESS PRACTICES**

9.2% where buy their product from Agencies, 8.3% where buy their product in wholesale store. 12.6% where buy their product in source of family members, 11.8% where buy their product in neighbours and 12.6% where buy their product from newspaper and 43.7% buy their product in source of television, 6.7% where buy their product with reference from friends. Nearly 12.5% where used cheese and butter 22.5%, 35.8% are used curd and 15.8% are used pannier and remaining are used by other products. 27.5% always change their product and 20.8% often change their product, the people who sometimes change their product are 29.2% and the persons who use rarely change their products are 18.3%. 25% strongly agree their product and 51.7% agree their product, the people who disagree their product are 12.5% and the persons who use never use their products are 10.8%. Nearly 19.2% strongly agree their product and 53.3% agree their product, the people who disagree their product are 19.2% and the persons who use never use their products are 8.3%. 16% strongly agree their product and 25.2% agree their product, the people who disagree their product are 43.7% and the persons who use never use their products are 15.1%. From the table it is clear that 20.8% very good experience in their product and 51.7% good experience in their product, the people who have average experience in their product are 15% and the persons who have bad experience about their products are 10.8%.

From the above table it is clear that 19.2% highly satisfied in their product pricing and 23.3% are satisfied in their product pricing, the people who are neutral with their product are 29.2% and the persons who have low satisfaction about their products are 10.8%. And the people who have highly dissatisfaction are 10.8%. the app usage survey are as follows 14.2% always use the app and 29.2% often use the app, the people who sometimes use the app are 25.8% and the persons who use rarely use the app 18.3%. It is observed that 38.3% rated very good and 35.8% rated good satisfaction, the people rated average are 19.2% and 6.7% of people rated bad satisfaction about the survey. Nearly 20.8% always use the product and 29.2% often use the product, the people who sometimes use the product are 30.8% and the persons who use rarely use the product 15% and the persons who use never use the product 4.2%.

### **Conclusion**

Our nation's milk producers have transformed Indian dairying from stagnation to world leadership. The dairy cooperative movement has been central to the development of dairying in India. The Indian dairy sector is the largest contributor to the agriculture Gross Domestic Product (GDP). In terms of output, milk is now the single largest agricultural commodity in India. White revolution was very well witnessed in India due to the Operation Flood programme which was initiated in 1970 and the Cooperative Movement also helped us to reach this stage. It provides employment to millions of rural farmers. Nowadays the rural farmers in India are involved in dairying as they find it as an alternative source of livelihood. Government of India sponsored a scheme called 'Strengthening Infrastructure for quality and clean milk production' to strengthen infrastructure facilities and to ensure clean milk production at village level. Government of India so far has sanctioned Rs.1224.21 lakhs to Vellore, Villupuram, Trichy, Dharmapuri, Salem, Kancheepuram- Thiruvallur, Erode, Nilgris and Coimbatore milk Unions for the implementation of the scheme. "In order to meet the growing demand for milk and to increase the milk production,

Union Government has started a scheme called National Dairy Plan-Phase I for the period of 2011-12 to 2016-17 with an investment of Rs. 2,242 crores focusing on areas like Production of high Genetic Merit Bulls, Pilot Model for viable Doorstep A1 Delivery service, Fodder development, Information and Communication Technology (ICT) for MIS, Semen Production, Ration Balancing Programme, Village Based Milk Procurement system and Learning and evaluation. National Dairy Plan(NDP) a six year plan was drafted by the National Dairy Plan for 14 major dairying states viz. Andhra Pradesh, Bihar, Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal. So, the Government takes almost all the measures and implements various policies and regulatory laws for the development of the dairy sector in our country. The private sector plays a pivotal role in the development of Indian dairy industry as well as produces various value added products to meet the growing demands of the consumers.

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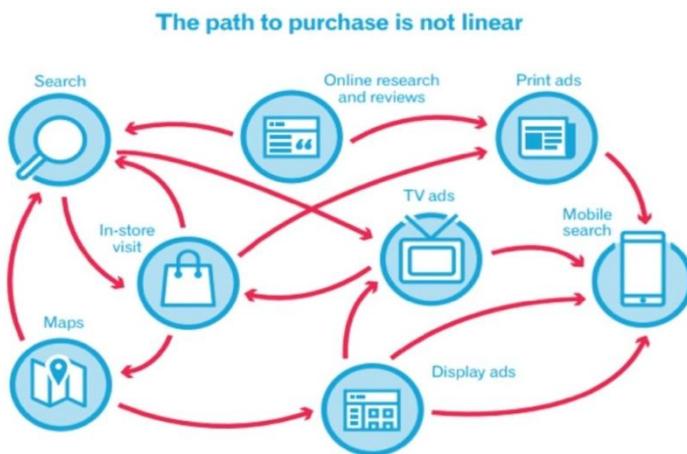
**E- MARKETING IN THE CURRENT SCENARIO**

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**Introduction**

Today's world is a competitive world and is digitalized in nature. Right from the production to the sale of good, computer and its function plays a predominant role in trading business. Now the



world as well as the people are very rapid, time up the disposal are very limited, both the company and consumer wants to secure their valuable time from wide formalities and vague procedures. Consumer may not know the owner of the product because everything that has dealt in electronic mode. Marketing is an activity which helps to flow the good from the producer to the ultimate consumer. Now days marketing is entirely running for four

(4) C's i.e. (Customer needs, cost to the customer, customer convenience and communication). So the firm's effort is to start with the customer and end with the customer. E-Marketing takes a major area in satisfying the customer needs and their demand.

**Meaning of E-Marketing**

The process of discovering and translating consumer needs and wants in to product and services specification creating demands for these products and services and then in turn expanding this demand through electronic mode is called Electronic marketing or internet marketing. E marketing refers to the application of marketing principles and techniques via electronic media more specially the internet. The term emarket is frequently interchanged and can often be considered synonymous. Advancement in technology made the internet and WWW as centre of commercial universe. The Internet has the potential to evolve into an inter-connected electronic market place or cyberspace linking the buyer and seller together to facilitate commercial transaction.

### Definition of E Marketing

"E-Marketing is known as internet marketing, web marketing, or online marketing, E-marketing is the process of marketing a product or a services using the internet"

### Objectives of E-Marketing

It is known from the words of barker and ans hen that "the end of all the marketing activities is the satisfaction of human wants". The object of marketing is to make the transaction simple and deliver the product and service to customer as fast as possible .the following are the aims of E-Marketing.

- **Quick Delivery of Product and Services**

Marketing aim is to satisfy the needs of the customer there by increasing the sales volume and profit margin of the firm. E-marketing made that very simple by fast and quick delivery of goods .it lead to increase in image of the firm in the market. Now days three days is the maximum days for the delivery of the goods even the company is beyond the country.

- **Reduce Transaction cost and Intermediaries**

Marketing has large number of intermediaries involved in the trading transaction. Right from the producer door to consumer door there involve innumerable number of intermediates and the product is handled by many hands. Everyone wants to make profit out of service apart from their commission. That is why there is a change in price of manufacturing place to the market place. E- Marketing reduce such constrain by having direct contact with the customer.

### Advantages of E Marketing

- E-Marketing is much better return on investment when compare to that of traditional marketing.
- As the marketing is done through the internet it eventually reduce the marketing campaign cost.
- Fast result of the campaign
- Employer can easily monitor through web tracking capabilities which makes the E-marketing an efficient one.
- Using e marketing viral content can be made by using viral marketing(use of internet to spread the message).

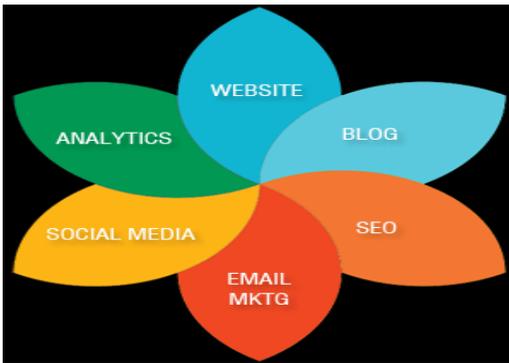
### Types of E Marketing

#### Article Marketing

Article marketing is a form marketing / advertisement in which company/business writes articles about their product, services, their company and their core competencies .the basic purpose of article marketing is to promote their business, increase awareness and to give user some knowledge based contents. There are two types of article marketing. They are traditional article marketing and online article marketing. Online article marketing is form of article marketing in which the content is strategically placed on the internet. Traditional article marketing is a form of marketing in which newspaper and magazines are used as a medium of marketing.

## Affiliate Marketing

Affiliate marketing is a type of performance based marketing in which a business rewards one or more affiliates for each visitor or customer brought by the affiliate's own marketing efforts. The industry has four player merchant, network, the publisher and the customer. The market has grown in complexity, resulting in the emergence of a secondary tier of players, including affiliated management agencies, super affiliates and specialized third party vendors.



## Video Marketing

Video marketing is incorporating videos into the market campaigns to promote the company, product or services. Customer testimonials along with the live events, video marketing are becoming more and more popular. Companies try to leverage high technology content in to their marketing.

## Email Marketing

Email marketing is the act of sending commercial messages typically to a group of people using email. In its broadest sense, every mail sent to a potential or current customer could be considered as email marketing. It usually involves using email to send advertisements, request business or solicit sales and donations and is meant to build loyalty, trust or brand awareness. Marketing emails can be sent to a purchase lead list or a current database. The term usually refers to sending messages with the purpose of enhancing a merchant's relationship with current or previous customers, encouraging customer loyalty and repeat business, acquiring new customer or convincing current customer to purchase something immediately and sharing third party advertisement.

## Blog Marketing

A weblog also called a blog is a journal that is maintained by blogger and contains information that is instantly published to their blog website. Blogging is a very popular activity. The number of online user creating and maintaining blogs has increased dramatically over the past year. The number internet user who read these blogs has also shot up with some blogs boasting thousands, even millions of daily dedicated readers

## Components of E marketing

### Website Design

Website design needs to be professional, clean and easy for all visitors to navigate, when designing the website the following aspects are to be noted

- Including calls to action on many pages so viewers are continually thinking about what your company can do for them.
- Optimizing the site on all browsers, including those on smart phones. The percentage of people who surf the web on the smart phones and tablets is growing .in fact, 25 percent of mobile web users never or infrequently use the desktop to search the web.

- Incorporating the relevant keywords naturally to help your search ranking.

### Blog

It is known from the statistically, companies that blog get 55% more visitors than the companies that don't blog. Therefore, your websites should include an integrated blog, which helps you provide customers with useful, relevant information. When creating a blog, ensure that it is:

- Easy reader to subscribe through RSS and email
- Easy to share through social media.
- Easy to interact with you by commenting on posts.

### Search Engine Optimization

Many potential customers starts at the serachengines when they need what you sell. To be found, you must use search engine optimization techniques to help your website, blog and social media accounts rank high in the search engines. Follows these steps in your marketing strategy:

### Email Marketing

Email marketing is a great way to stay in front of your customers. We must Pay attention to:

- Creating a **quality design** for your email template so it ties in with the look and feel of your website, completing a comprehensive marketing strategy.
- Providing **useful, relevant information** through email on a regular basis to help you convert potentials into customers.

### Social Media Presence

Facebook, Twitter, Linkedin, YouTube, and Google+ are not just for individuals. They have several major advantages for businesses:

- Provide an opportunity to **create a community** around your company through interaction with the people who are interested in you.
- Help you **remain on people's radars** by posting status updates, media, blog posts, and information about your company regularly.
- Allow you to **reach exponential numbers** of people at a very minimal cost because of the viral nature of these networks.

### Analytics

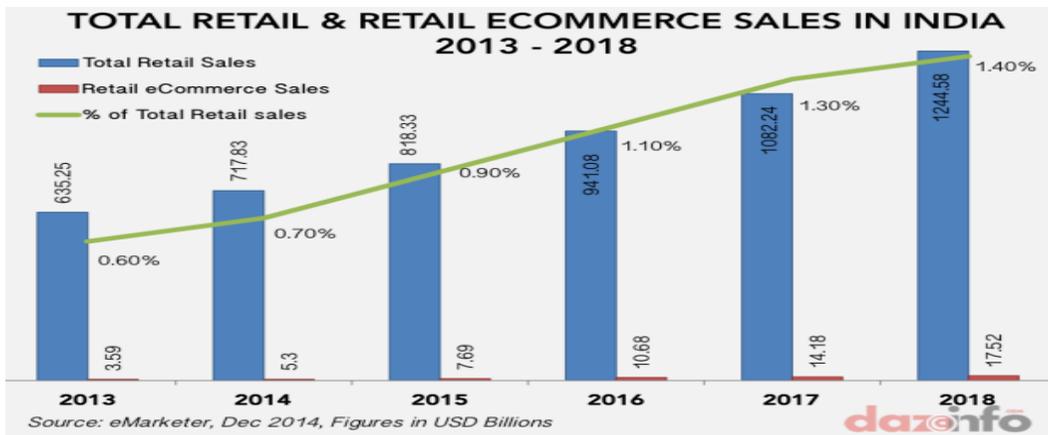
Measuring the results and trends of your website, blog, email campaigns, search engine ranking, and social media reach plays a crucial role in any online marketing strategy. The most important metrics to measure include:

- **Website:** Site visitors, page views, pages per visit, average time on the site, bounce rate, top landing and exit pages, top content, leads & conversions.
- **Blog:** Subscribers, views / visitors, conversions, comments, clicks, rank, inbound links, social media shares.
- **SEO:** Page rank, # of indexed pages, # of inbound links, # of keywords sending traffic to your site, long-tail keyword rank & opportunities.

- **Email Marketing:** # sent, bounces, spam reports, opt-outs, opens, clicks, forwards.
- **Social Media:** # of likes, followers, connections, etc., growth, engagement, momentum, results.

**Current Scenario in E- Marketing**

We all know that today world is Google world, right from the promotion and winding of the firm all the document and procedure has been dematerialized. All the order placing and procurement information has been done through computerized electronic forms . Social media is becoming popular platforms for engaging the audience effectively and measuring the impact of an ad. The posts on social media platforms such as Facebook and Twitter generate traffic to the company's website and increase the awareness about the company's services and products offered to a large customer base, which thereby increases credibility. As much as 85 % of Indian retailers in 2015 considered internet marketing as their primary channel for customer engagement. , according to a recent Octane and RAI (Retailers Association of India) study says that Social media was voted the primary online activity by 79 per cent of India’s retail marketers, a 30 % increase over 2014.While the study said print promotion 77% remains the top choice of retailers as their preferred offline marketing activity, nearly 95 per cent retailers said that mobile is very important to them as they use it as their part of marketing strategy. Interestingly, 72% of e-commerce companies with a turnover of Rs 20 crore to Rs 100 crore generate 30 per cent or more of their revenue from online marketing. Retailers, e-commerce platforms and e-marketing companies have no doubt that there has been phenomenal increase in the use of social media and email and SMS marketing for the seilling of goods in the market..



This is likely to increase even further with more and more online shoppers joining the league. There is a changing trend in how retailers spread alerts on product launches and discounts it depends on the smartness of the dealer and seller in the promotion of the product. They are now actively using social media, e-mail and SMS marketing as effective tools to reach out to the local masses as well global masses. Having the world at your fingertips, e-commerce and m-commerce are estimated to grow by 70 per cent next year. However, offline retail will still remain the brick and mortar foundation,” said AnujSawhney, managing director, Swiss Military Worldwide. The reason for the swift rise in the use of the entire spectrum of digital media, including social channels, would

be seamless internet connectivity even in tier-II and tier-III cities, along with the increasing use of data services by mobile phone users “SMS marketing is all together a different tool, so we cannot generalise with email marketing. Email marketing in the current scenario brings traffic to the online platform more quickly than SMS,” said Amit Gupta, founder director, Surpluss. in, an e-commerce platform to buy refurbished mobile phones, tablets and other electronic products. Whether a larger deployment of Cart Abandonment Programme (CAP) can generate 10-15 per cent additional revenue to e-commerce companies in India still remains a pertinent question. Gupta, for instance, felt that CAP could easily enhance sales by 20 per cent. The strategy is to find out that once a visitor has gone to cart level why he is not buying. Then CAP in-charge can give a spot resolution to convert the customer without delay. SharadVenkat, MD & CEO, Toonz Retail India, said, “Success of CAP depends on various factors like explicitly communicating excellent return policy, ability to offer free shipping on minimum shopping value, capturing shopper’s contact details, frequency and number of abandoned cart emails to the purchase at hand, and that item’s typical purchase window. Talking about the conversion ratios (clicks to cart, cart to order), KunalTomar, head of sales. Experian Marketing Services & Business Information Services, said: “Every marketer grapples with the challenge of getting an optimal ROI from the various marketing channels deployed. The technological developments have made it possible to measure the efficacy of these marketing channels in terms of the conversion funnel and translate it in terms of ratios to track efficiency at each step.”

**Worldwide Smartphone Forecast by Region, Shipments, Market Share and 5-Year CAGR (units in millions)**

Operating System	2014 Shipment Volumes*	2014 Market Share	2018 Shipment Volumes*	2018 Market Share	2013-2018 CAGR
Android	997.7	80.2%	1,401.3	77.6%	12.0%
iOS	184.1	14.8%	247.4	13.7%	10.0%
Windows Phone	43.3	3.5%	115.3	6.4%	28.1%
BlackBerry	9.7	0.8%	4.6	0.3%	-25.0%
Others	9.3	0.7%	37.7	2.1%	31.5%
<b>Total</b>	<b>1,244.1</b>	<b>100%</b>	<b>1,806.3</b>	<b>100%</b>	<b>12.3%</b>

He added: “The inbox placement metrics measured through the return path email optimisation solution helps in tracking each email campaign’s performance and notifies if emails are landing in spam in Gmail, Yahoo, Outlook or other domains. Similarly CTOR is another email ratio, which provides an insight into post email open behavior on whether customers opening your emails are

clicking on links or not. Metrics like 'Clicks to Cart' and 'Cart to Order' will definitely get more focus with an ever increasing marketing clutter in the e-commerce space." "With the ongoing concern on the conversion ratios and the shifting focus to e-marketing and mobile marketing, we strongly feel that conversion ratios will see sharp focus from e-tailers. While abandoned merchandise is increasing, various surveys also indicate that a majority of that is going to be recoverable by savvy online retailers," said Pankaj Acharya, founder & MD, Mad(e) In India, a lifestyle brand.

However, Palrecha added there was a need to choose and use social media platforms and email and SMS marketing tools with the right balance and in the right way to reach the target group "Email and SMS marketing help business houses to directly reach their target group as a large number of heads as well as access to email addresses are available on the mobile. Thus the former two are gaining importance in the digital world. But on the other hand, it has also been noticed that people tend to ignore such activities as too much mailing and SMS distract the users sometimes," explained K Supriya Nair, CEO, foreseegame.com. She added: "When a mail is sent to a particular email address and ignored a number of times, the sender of the mail is automatically marked as spam and the subsequent mails, therefore, fail to hit the inbox and are diverted to the junk/spam box. Even in the case of SMS marketing, if a mobile user has opted for DND (do not disturb) service via his or her service provider, it is not possible for the promotional text messages to hit the inbox. Again, this leads to failure of such marketing activities.

### **Conclusion**

The present study investigates the various issues and challenges marketing in the scenario. The customer satisfaction is one of the most important elements of this E marketing and also providing various online services. Speed, accuracy, efficiency and updating are the element for the business. All the elements can be done through internet marketing. Alerting the date of competition, now days customer are busy they want everything to be digitalize to simply their commitment.

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## GREEN MARKETING

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### Abstract

*We know that environmental issues influence all human activities, few academic disciplines have integrated green issues into their literature. This is especially true of marketing. As society becomes more concerned with the natural environment, businesses have begun to modify their behavior in an attempt to address society's "new" concerns. Some businesses quickly accept the concepts of environmental protection and waste minimization, and have integrated environmental issues into all organizational activities. One business area where environmental issues have received a great deal of discussion in the popular and professional press is marketing. Terms like "Green Marketing" and "Environmental Marketing" appear frequently in the popular press. Many governments are started concentrating towards green marketing activities also that they have attempted to regulate them. One of the biggest problems with the green marketing area is that there has been little attempt to academically examine environmental or green marketing. This paper will attempt about the importance, marketing techniques as well as the advertising methodologies of green marketing.*

**Keywords:** *green marketing, advertising and environmental benefits*

### Introduction

Green marketing affects all areas of our economy, it does not just lead to environmental protection but it also create new market and job opportunities. There have been little analysis of the impact of this new market on the consumers and the environment so far. Majority of people believe that eco marketing refers to the promotion or advertising of products related to environmental characteristics. Terms like Phosphate Free, Recyclable, Refillable, Ozone Friendly, and Environmentally Friendly are some of the things consumers most often associate with green marketing. Hence green marketing is one of the broader concept that can be applied to for consumer, industrial and services goods.

Thus green marketing incorporates involved in changes in product modification, production process, packaging and advertising. Hence defining the green marketing is not an easiest task. Indeed the terminology used in this area has varied, it includes: Green Marketing, Environmental Marketing and Ecological Marketing. The American Marketing Association (AMA) held the first workshop on "Ecological Marketing" in 1975. The proceedings of this workshop resulted in one of the first books on green marketing entitled "Ecological Marketing" [Henion and Kinnear 1976a].

### Importance of Green Marketing

Human has limited resources on the earth, with that they are in need to satisfy the worlds' unlimited wants. (There is extensive debate as to whether the earth is a resource at man's disposal, for example, see Gore 1993.) While the question of whether these wants are reasonable or achievable is important, this issue will not be addressed in this paper. In market societies where there is "freedom of choice", it has generally been accepted that individuals and organizations have the right to attempt to have their wants satisfied. As industries also have limited natural resources with that

they must satisfying these unlimited wants of consumer. Ultimately green marketing looks at how marketing activities utilize these limited resources, while satisfying consumers wants, both of individuals and industry, as well as achieving the selling organization's objectives.

### **Why are Firms using Green Marketing?**

When looking through the literature there are several suggested reasons for firms increased use of Green Marketing. Five possible reasons cited are:

#### **Opportunities**

As we know that all types of consumers, both individual and industrial are becoming more concerned and aware about the natural environment. In a 1992 study of 16 countries, more than 50% of consumers in each country, other than Singapore, indicated they were concerned about the environment [Ottman 1993]. A 1997 study in Australia found that 84.6% of the sample believed all are responsible to care for the environment. A further 80% of this sample indicated that they had modified their behavior, including their purchasing behavior, due to environmental reasons [EPA-NSW 1994].

#### **Social Responsibility**

Many organizations are beginning to realize that they are the members of the wider community and therefore must behave in an environmentally responsible. The firms believe that they must achieve environmental objectives along profit objectives. This results in environmental issues being integrated into the firm's corporate culture. Firms can follow two methods; 1) using the fact they are environmentally responsible as a marketing tool; or 2) they can become responsible without promoting this fact. There are some examples of firms which adopt both the strategies. Organizations like the Body Shop heavily promote the fact that they are environmentally responsible. When the behavior is a competitive advantage, the firm was established specifically to offer consumers environmentally responsible alternatives to conventional cosmetic products. This philosophy is directly tied to the overall corporate culture than simply being a competitive tool.

#### **Governmental Pressure**

As with all marketing related activities, government is responsible to "protect" consumers and society; this protection has significant green marketing implications. Governmental regulations relating to environmental marketing are designed to protect consumers in several ways, 1) reduce production of harmful goods or by-products; 2) modify consumer and industry's use and consumption of goods are not good for consumers; or 3) ensure that all types of consumers have the ability to evaluate the environmental composition of goods. Governments establish regulations designed to control the amount of hazardous wastes produced by firms. Many by-products of production are controlled through the issuing of various environmental licenses, thus modifying organizational behavior.

#### **Competitive Pressure**

In the green marketing area, firms maintain their competitive position to observe competitors promoting their environmental behaviours and attempt to emulate this behaviour. In some

instances this competitive pressure has caused the whole industry to modify and thus decrease its detrimental environmental behaviour.

### **Cost or Profit Issues**

Firms are using green marketing in an attempt to address cost or profit related issues. Disposing of environmentally harmful by-products, such as polychlorinated biphenyl (PCB) contaminated oil is also becoming increasingly costly and difficult. Therefore the industries that can decrease the harmful wastes may incur substantial cost savings. When trying to minimize waste, firms are forced to re-examine their production processes. In these cases they often develop more effective production processes that not only reduce waste, but also reduce the need for some raw materials.

### **How to Advertise Green Marketing?**

**Integrating green initiatives into every aspect of the organization:** Companies are trying to link the corporate brand to efforts in social responsibility, Edwards says—and environmental stewardship can affect the bottom line as it improves customer relationships. At United Parcel Service (UPS), for example, new mapping systems enabled a “No Left Turn” rule to eliminate costly left turns from drivers’ routes. According to The New York Times, UPS spokeswoman Heather Robinson reported that the company shortened delivery routes by 28.5 million miles, saving 3 million gallons of gas and reducing carbon emissions by 31,000 metric tons. “They’re tying their brand image to efficiency and environmental savings,” Edwards says.

**Using ecolabels and ecologos on products or marketing materials:** Perhaps the most well-known ecolabel is the recycling symbol composed of chasing arrows, created in 1970 by Gary Anderson, who won a graphics and design competition hosted by the Container Corporation of America. Since then, a significant number of labels have popped up, some of which have contributed to an industry malfeasance known as “greenwashing.” (See the sidebar, “The 7 Sins of Greenwashing.”) Other widely recognized symbols include the USDA Organic, which signifies the use of organic ingredients in food; Forest Stewardship Council (FSC) indicates wood and paper products produced in methods that advocate responsible forestry; and Energy Star identifies home, building and construction, and electronics that are energy efficient.

**Engaging customers in green marketing:** Companies are looking to motivate consumers by encouraging them to participate and engage in the campaign or directly with the product. Marketers that send out direct mail pieces can put links directing marketers to participate in green programs online, or do something as simple as ask customers to recycle the mail after reading. Edwards has seen largely positive feedback from marketers who’ve attempted to bring customers into the mix; the number of those doing so is growing but still pretty small, Edwards admits.

**Asking and respecting customer choices and preferences:** Segmentation is a practice that goes back to Marketing 101. Companies that are leveraging customer data and respecting their preferences will inevitably have fewer unnecessary mailings. (For more on this, see this month’s Real ROI case study about U.S. Bank.) In October 2007, the DMA launched its Commitment to Consumer Choice policy, which among other stipulations, requires all DMA members to provide existing and prospective customers and donors with notice of an opportunity to modify or opt out

of commercial communications. By giving consumers this choice, companies are not only acting environmentally responsible, but also reinforcing their corporate responsibilities.

**Adopting a lifecycle approach:** Companies are choosing the green materials and products for their marketing materials and adopting a lifecycle approach that looks at the whole of the campaign, thereby foreseeing areas of potential waste. Edwards sees more marketers adopting recycled and FSC-approved papers and printing, vegetable and soy-based inks, smaller formats and trim sizes, and a reduction in paper use overall. Aromatherapy and skincare treatment provider Decleor now only uses Programme for the Endorsement of Forest Certification and FSC-certified paper, despite the fact that it's 3 percent to 7 percent more costly.

**Shifting to the online space:** Digital marketing was projected to reach \$25.6 billion in 2009, and reach \$55 billion, 21 percent of all marketing spend, by 2014, according to Forrester Research's United States Interactive Marketing Spend report. Mobile marketing, social media, email marketing, display advertising, and search marketing the are some of the important channel to be used in green marketing. More and more companies are requiring that employees remind email recipients to think about the environment before printing.

### **Some Problems with Going Green**

The industries are facing various challenges while adopting the green marketing. One of the main problems is that firms using green marketing must ensure that their activities are not misleading to consumers or industry, and do not breach any of the regulations or laws dealing with environmental marketing. For example the marketers should ensure that their green marketing claims.

Clearly state environmental benefits;

- Explain environmental characteristics;
- Explain how benefits are achieved;
- Ensure comparative differences are justified;
- Ensure negative factors are taken into consideration; and
- Only use meaningful terms and pictures.

Another problem firm face is that the firms are going with consumer concern those are sometimes not correct. When firms are going socially responsible, they may face some risk that environmental friendly may found to be harmful in future. Given the limited scientific knowledge at any point in time, it may be impossible for a firm to be certain they have made the correct environmental decision.

### **Conclusion**

Green marketing is not only an important tool but also the future is depends upon environment. It has a positive impact on environmental safety. Because of the growing concern of environmental protection, there is an emergence of a new market which is the green market. For companies to survive in this market, they need to go green in all aspect of their business. Consumers want to identify themselves with companies that are green compliant and are willing to pay a premium for a

greener life style. Green marketing is not only a tool but also a marketing strategy to be followed by every industry.

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**ADMINISTRATION BRAND FAIRNESS: CAPITALIZING ON  
THE SIGNFINANACE TRADE NAME**

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**Abstract**

*Brand devotion is likewise characterized as the degree of the dedication of shoppers to a specific brand, communicated through their rehash buys, independent of the promoting weight produced by the contending brands. Where customers end up steadfast to mark they influence regular to obtain at some point or item reliability is a consequence of shopper conduct and is influenced by a man's inclinations. Faithful clients will reliably buy items from their favoured brands, paying little heed to comfort or cost. Organizations resolve over and again utilize disparate publicizing procedure to advance faithful buyers, be available close by through devotion program (i.e. rewards projects) or trials and motivating forces (illustration tests and unconditional presents).*

**Keywords:** mark unwaveringness, faithful to client

**Introduction**

Brand purchases a similar maker started item or administration more than once after some time as opposed to purchasing from numerous providers inside the classification" or "how much a shopper reliably buys a similar brand inside an item class". Attempting to characterize the term, David A. Aaker considers that brand dedication reflect how likely a purchaser resolve be to change to another brand, particularly when that brand makes an adjust in value, item includes, its correspondence or appropriation programs" (Aaker, 1991) 98. Brand steadfastness is additionally characterized as the degree of the unwaveringness of shoppers to a specific brand, communicated through their rehash buys, independent of the showcasing weight created by the contending brands. At the point when buyers wind up devoted to mark name they make constant buy more than period. Brand steadfastness is an after-effect of customer conduct and is influenced by a man's inclinations. Steadfast clients will reliably buy items from their favoured brands, paying little mind to accommodation or cost. Organizations choose routinely utilize disparate showcasing technique to advance dependable clients, be it is through reliability programs (i.e. rewards projects) or trials and motivating forces (case tests and unconditional presents). Organizations that effectively develop faithful clients likewise create mark diplomats – shoppers that will showcase a specific brand and speak decidedly about it among their companions. This is complimentary expression of-oral hole advertising for the organization and Brand dependability is a urgent objective and after-effect of fruitful advertising programs, deals activities and item improvement endeavours. At the centre of each effective brand is a core of steadfast clients. These "genuine adherents" comprehend the brand better, buy all the more regularly and prescribe the brand to others. 98. Aaker, D. A., (1991), "Overseeing Brand Equity: Capitalizing on the Value of a Brand Name", the Free Press, New York, 1991, p. 12. Faithful clients can be and ought to be the establishment for advertising procedure. Past the benefit they create, faithful clients give the premise to mark advancement and change. The

brand that dismisses its devoted clients has lost its course, and is defenceless against losing piece of the overall industry (Assael, 1994)<sup>99</sup>. As a brand's level of faithful clients goes up, piece of the overall industry increments and the brand turns out to be more gainful. Offer ascents on the grounds that those clients who move toward becoming rehash buyers are never again lost to the opposition. Furthermore, rehash clients are more productive than new clients - pulling in new clients includes contributing much all the more advertising and limited time reserves. To some degree, mark dependability is being created and overseen by every single effective brand. In any case, much of the time unwaveringness itself is considered essentially the consequence of first rate advertising programs.

The most ideal approach to accomplish more prominent brand reliability is by dealing with the brand steadfastness process. This includes estimating the drivers of brand dependability, choosing high effect faithfulness change ventures, and rapidly completing them. is frequently exceptionally viable. Brand steadfastness is a critical objective and consequence of fruitful showcasing programs, bargain.

### **Importance of Brand Loyalty**

Brand dependability is a urgent objective and after-effect of fruitful advertising programs, deals activities and item improvement endeavours. At the centre of each effective brand is a core of steadfast clients. These "genuine adherents" comprehend the brand better, buy all the more regularly and prescribe the brand to others. <sup>98</sup>. Aaker, D. A., (1991), "Overseeing Brand Equity: Capitalizing on the Value of a Brand Name", the Free Press, New York, 1991, p. 12. Faithful clients can be and ought to be the establishment for advertising procedure. Past the benefit they create, faithful clients give the premise to mark advancement and change. The brand that dismisses its devoted clients has lost its course, and is defenceless against losing piece of the overall industry (Assael, 1994)<sup>99</sup>. As a brand's level of faithful clients goes up, piece of the overall industry increments and the brand turns out to be more gainful. Offer ascents on the grounds that those clients who move toward becoming rehash buyers are never again lost to the opposition. Furthermore, rehash clients are more productive than new clients - pulling in new clients includes contributing much all the more advertising and limited time reserves. To some degree, mark dependability is being created and overseen by every single effective brand. In any case, much of the time unwaveringness itself is considered essentially the consequence of first rate advertising programs. The most ideal approach to accomplish more prominent brand reliability is by dealing with the brand steadfastness process. This includes estimating the drivers of brand dependability, choosing high effect faithfulness change ventures, and rapidly completing them.

### **Measures of Brand Loyalty**

There are three center measurements of unwaveringness:

1. Disposition - buyer's states of mind toward the brand all in all or mentalities towards the proposal of exchanging brands.
2. Conduct - shopper's inclination to purchase the brand over others.
3. Value Sensitivity - purchaser's inclination to be set up to pay more for the brand they are faithful to. In the beginning times of a market, brands will promote to make separation and

move faithfulness and in this manner have the capacity to charge a value premium. Here, behavioural measures will demonstrate to us how much devotion is really present in the market at our image and cost affectability measures can enable us to discover how far costs can be extended. When brands are separated in a more develop showcase, attitudinal measures turn out to be more essential – as need an early cautioning framework for shoppers who might consider exchanging – to have the capacity to ensure gained offer of the market. Value affectability measures are additionally imperative in 99. Assaults. H., "Item Classification and the Theory of Consumer Behavior", Journal of the Academy of Marketing Science, 1994, Vol. 2 (4).

4. The more develop commercial centre as brands have built up their situating and are presently beginning value rivalry all together prevail upon the less brand-disapproved of shoppers.

### **Building Brand Loyalty**

Building attitudinal devotion primarily infers mark picture working through broad communications interchanges, yet additionally here and now advertising exercises, for example, limited time apparatuses fit as a fiddle a brand's picture. In any case, the transient instruments must be joined by long haul exercises, (for example, item advancement). Brand trust assumes a critical part in building and keeping up both attitudinal and behavioural brand faithfulness, its part having been explored broadly in both B2C and B2B segments (Doney and Cannon, 1997)<sup>111</sup>. It is shown that brand trust increase mark unwaveringness and impacts piece of the overall industry and cost versatility. Building and keeping up mark dedication additionally infers recurrence programs with a specific end goal to hold clients. Generally, dependability cards can be utilized on request to avoid mark exchanging, however the procedure is effortlessly replicated and it is difficult to infer a maintainable upper hand from it, being fundamentally a cautious strategy to avert mark exchanging. Consumer loyalty is basic keeping in mind the end goal to manufacture mark reliability, despite the fact that fulfilment does not really create or increment unwaveringness. A few creators accentuate an awry. Schultz (2000)<sup>112</sup> frameworks the significance of fulfilling a client with a specific end goal to make behavioural steadfastness. Consequently, a fulfilled client has a tendency to be more faithful to a brand after some time than a client whose buy is caused by different reasons, for example, time limitations and data shortfalls. Davis (2002)<sup>113</sup> declares that brand faithfulness must be accomplished through a solid brand situating which implies making and dealing with a one of a kind, dependable, supportable, and esteemed place in the client's brains, rotating around an advantage that enables the brand to stand separated from its opposition. He expresses that clients must be approached with deference as in the communication between the organization and its staff, on one hand, and between the organization and its clients, then again, ought to be sure, while any discourteous, heartless, or inert conduct ought to be stayed away from.

### **Approaches to Create Brand Loyalty**

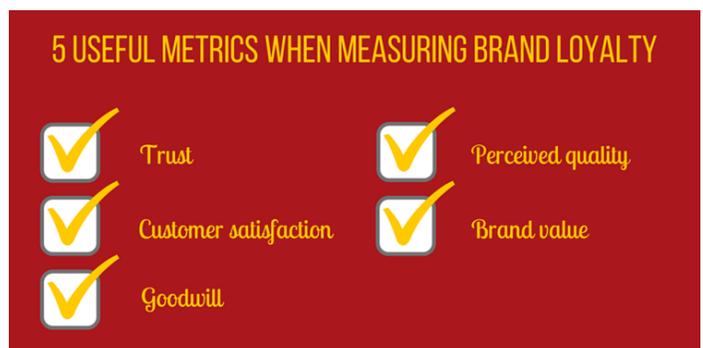
Dedication is fabricated in view of connections and a feeling of having a place. Connections are worked from trust which is originated from discussion, remarkable client benefit, a site or store that has the item/benefit wanted effortlessly available with a reliable.

1. **Be Better Than Anyone:** This isn't to state to just have one item yet more to centre around what you truly improve the situation than any other individual. Being superior to any other individual does not take into account shoppers to consider choices as they realize that they can't get what they get with you somewhere else.
2. **Having a place:** Create a feeling of having a place whether it be through a whether it be by means of a "group" that is select to your image to give individuals motivation to need to wear that identification.
3. **Belivability:** This is more than doing what you say you will or an item that does what you say it will. Keep in mind that we are discussing how to manufacture devotion with the apparatuses accessible. It might have an awesome item, message however the advertising materials are photograph duplicated or a profile that is a layout and not intelligent of brand character.
4. **Avability:** These ties into having a place as though the "right" individual is open, individuals need to be a piece of that to state that they "know" this individual or the CEO of the organization contacted clients. This is the place the refinement of the brand comes in as clients can associate and truly let individuals realize that behind the brand is a client, family man/lady, and so forth who has lunch, drinks espresso and so forth.
5. **Association Ability:** This is broadly utilized with slogans and the brand message however there are times that a brand goes up against another "dialect" that is driven by the gathering of people. Know this and embrace it (insofar as it is the thing that your image speaks to).
6. **Rekashan:** Stay over what purchasers are stating and abstain from being stale or changing too quick. Brands have a long timeframe of realistic usability and those that are over where change or the move in the mentality of shoppers can adjust and keep up steadfast clients. Be proactive and not receptive to attempt and force individuals back as once they are gone, they are no more. Brand devotion is more than the item itself. It needs to perform well, in reality superior to any elective so there is no option in the brain of the purchaser however put this more in the part of conduct.

## Conclusion

The definition and significance of brand unwaveringness, measurements and voting demographics of brand dedication, methodologies and reliability writes, mark steadfastness period, building brand devotion, mark faithfulness based market division, overseeing and surveying brand dependability. These days numerous individuals purchase items just

purchase utilizing brand name. So mark is getting imperative shape in youthful age. The brand should influence the clients to purchase over and over.



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