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## **DEPARTMENT OF MANAGEMENT STUDIES**

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(MASS IGNITOR 2K17)**



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## **EVOLUTION OF OIL AND GAS INDUSTRY IN INDIA**

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### **Abstract**

Petroleum is a naturally occurring liquid found in rock formations. People have used petroleum since ancient times. The early Chinese and Egyptians burned oil to light their homes. The oil and gas industry can be divided into three major components: upstream, midstream and downstream. The Indian Oil and Gas sector is one of the six core industries in India and has very significant forward linkages with the entire economy. By global standards, India is just at the beginning of the energy reforms. The study told that India is just at the beginning of the energy reforms and the Government of India has adopted several policies to fulfill the increasing demand. Finally the study concluded that the Oil and Gas Industry in India is one of the most important sectors and constitutes over 50 % of the GDP. In addition, it serves as the backbone for transportation and hence affects the performance of many other industries such as infrastructure, cement, construction etc. So for that our Government should take more concentration to develop the Petroleum Sector in India.

**Key words:** Petroleum Industry, Oil Exploration and Production.

### **Introduction**

Petroleum is a naturally occurring liquid found in rock formations. It consists of a complex mixture of hydrocarbons of various molecular weights, plus other organic compounds. It is generally accepted that oil is formed mostly from the carbon rich remains of ancient plankton after exposure to heat and pressure in the Earth's crust over hundreds of millions of years. Over time, the decayed residue was covered by layers of mud and silt, sinking further down into the Earth's crust and preserved there between hot and pressured layers, gradually transforming into oil reservoirs. People have used petroleum since ancient times. The early Chinese and Egyptians burned oil to light their homes. Before the 1850s, Americans used whale oil to light their homes. The oil and gas industry can be divided into three major components: upstream, midstream and downstream. The upstream industry includes exploration and production activities, hence is also referred as the exploration and production (E&P) sector. The midstream industry processes, stores, markets and transports Commodities including crude oil, natural gas, natural gas liquids (NGLs) like ethane propane and butane and sulphur. The downstream industry includes oil refineries, petrochemical plants, petroleum products distributors, retail outlets and natural gas distribution companies. The downstream industry provides consumers thousands of products such as gasoline, diesel, jet fuel, heating oil, asphalt, lubricants, synthetic rubber, plastics, fertilizers, antifreeze, pesticides, pharmaceuticals, natural gas and propane. Both internationally and within India, the oil and gas sector is characterized by existence of "integrated" companies, which are present in all these three sectors.

### **Petroleum Industry in India**

India was the fourth largest consumer of oil and petroleum products in the world in 2011, after the United States, China and Japan. The country depends heavily on imported crude oil,

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mostly from the Middle East. The Indian Oil and Gas sector is one of the six core industries in India and has very significant forward linkages with the entire economy. The oil & gas sector meets more than two third of the total primary energy needs in the country. The sector has been instrumental in putting India on the world map. At present India is the sixth largest crude oil consumer in the world and the ninth largest crude oil importer. The country is also increasing its share in the global refining market. At present Indian refining sector is the sixth largest in the world. By global standards, India is just at the beginning of the energy reforms. The Government of India has adopted several policies to fulfill the increasing demand. The government has allowed 100 per cent foreign direct investment (FDI) in many segments of the sector, including natural gas, petroleum products, and refineries, among others.

### **Origin of Oil Exploration in India**

The story of oil exploration in India began in the dense jungles and swamps and river-valleys of the north-eastern corner of the country. Lt. R. Wilcox, Major A. White, Capt. Francis Jenkins, Capt. P.S. Hanny, W. Griffith, and W. LicutBigge—they all saw at different time's petroleum seepages from the banks of river Dihing. Mr. C.A Bruce (1828) and Mr. H.B. Medicott (1865) of the Geological survey of India also saw oil seepages while prospecting for coal in upper Assam. Barely seven years after Edwin L. Drake drilled the world's first oil well in 1859 at Titusville, Pennsylvania, USA, in 1866, Mr. Goodenough of McKillop, Stewart and Company, Calcutta, drilled a hand-dug well of 102 feet at Nahorpung near Jaipur area of Upper Assam but failed to establish satisfactory production. In his second attempt on 26 March 1867, oil was struck at merely 118 feet (35.97-m) in Asia's first mechanically drilled well at Makum near Margherita area of Upper Assam. The origin of the Indian oil & gas industry can be traced back to the late 19th century, when oil was first struck at Digboi in Assam in 1889. At independence, oil exploration and production activities were largely confined to the North-Eastern region, particularly Assam and the daily crude oil production averaged just 5,000 barrels per day. However, the first well dug at Digboi field in Assam in September 1889 and completed in November 1890 at depth of 662 feet by Assam Railways and Trading Company Limited (AR&T Co. Ltd.), registered at London, is regarded as the first commercially successful oil discovery (200 gallons per day). Thereafter, systematic drilling began in 1891 and two years later in 1901, Asia's first oil refinery was set up in at Digboi. It is still functional and world's oldest operating refinery. Later on UK based Burma Oil Company (BOC) arrived in 1911 in Upper Assam and in 1915, after acquiring Oil interest from Budderpore Oil Co. Ltd began testing option in the Badarpur structure in the Surma valley (Upper Assam). The Indian Co. "TATA engineering co." has also drilled several wells in Jagatia, Gujarat and produced small amount of gas in 1930s. In 1937, In Assam, successful systematic survey was carried out in Naharkatia during 1937-39, triggering new enthusiasm in oil search and it became forerunner of discoveries in Assam basins and others also.

At the time of India's independence and the developments in the areas of exploration and production, refining, marketing and distribution, imports, production and distribution of natural gas, and oil conservation. Petroleum Industry in 1947 perhaps no other sector of Indian economy was so much neglected during the British regime as oil. Independence and the declaration of the Industrial Policy Resolution of 1948 produced little qualitative change in India's oil policy. During the first three years following independence, the share of local production of oil products ranged



from 5 per cent to 10 per cent and, in the subsequent years, it fell to less than 5 per cent until the beginning of a new phase in refinery construction in 1954.

In view of the significance of the oil & gas sector for overall economic growth, the Government of India, under the Industrial Policy Resolution of 1954, announced that petroleum would be the core sector industry. In pursuance of the Industrial Policy Resolution, 1954, petroleum exploration & production activity was controlled by the government-owned National Oil Companies (NOCs), namely Oil & Natural Gas Corporation (ONGC) and Oil India Private Ltd (OIL). For a long time even after Independence, the Government of India took no serious interest in oil exploration. Somehow, the planners had very little faith in the possibility of a substantial oil discovery and the nascent nation's technical expertise was considered inadequate to undertake any exploration. More attention was therefore given to refineries where there was no risk element. The balance of payments problem, the growing level of oil consumption and the need for self-reliance in the major petroleum products during the years following the Second World War made the Government to assign a significant role to refinery construction in the national economic agenda. When K.D. Malaviya joined Nehru's cabinet and was given the charge of Mineral Oil, a change in thinking took place in the Government that only if Indian technicians were unable to prospect for oil, should the Government consider inviting foreign companies for prospecting new areas. An Oil and Natural Gas Division was created as a part of the Ministry of Natural Resources & Scientific Research in 1955. As suggested by N.A. Kaliin, the Soviet oil exploration consultant, and in pursuance of the new Industrial Policy Resolution of 1956, oil exploration became a monopoly of the Central Government. Consequently, the Oil and Natural Gas Commission (ONGC) was set up in August 1956 as a Government department. In October 1959 that ONGC became a statutory Commission owned wholly by the Government of India. Despite its limitations, ONGC struck oil in Cambay in 1958. In 1972, the first offshore wells were drilled in Bombay High, where too ONGC met with early success.

### **Development of Oil and Gas Industry in India**

With the discovery of the Cambay onshore basin (in 1958) and the Bombay offshore basin (in 1972), the domestic oil production increased considerably. As a result, in the early 70s, almost 70% of the country's oil requirement was met domestically. However, by the end of the 1980s, some of the existing oil & gas fields were experiencing a decline in their production since they had already been in production for several years and were past their 3-plateau phase. At the same time, there was a steady increase in consumption of oil & gas, leading the two NOCs to meet only about 35% of the domestic oil requirement. After that, controls were imposed by the Government on the pricing and distribution of crude oil and petroleum products in India. Factors like the administered oil prices and non-availability of appropriate technology logistics augmented the problem. Up to 1990s, there were three rounds of exploration bidding with no success in finding new oil/gas deposits by the foreign companies who only were allowed to participate in the bidding process. This led the government to initiate Petroleum Sector Reforms (PSR) in 1990, under which the fourth, fifth, sixth, seventh and eighth rounds of exploration bidding were announced during 1991-94. For the first time, Indian companies with or without prior experience in exploration & production activities were allowed to participate in the bidding process during these rounds. In 1995, the Government

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announced the Joint Venture Exploration Programmed. However, this was viewed as a deterrent by major private sector oil companies. This led the government to announce New Exploration Licensing Policy (NELP) in 1997 (operationalized in 1999) as part of its Hydrocarbon Vision 2025, a landmark 25-year planning document. Under NELP, licenses for exploration are being awarded only through a competitive bidding system and NOCs are required to compete on an equal footing with Indian and foreign companies to secure Petroleum Exploration Licenses. In addition to NELP, other efforts were made to address the need for achieving energy security. These include:

1. Acquisition of Oil and Gas assets abroad;
2. Developing strategic storage facilities at identified locations;
3. Exploring alternate sources of Energy, including Coal Bed Methane, gas hydrates, etc.
4. Improving the recovery of oil and gas from existing fields through methods such as Enhanced Oil Recovery (EOR and Increased Oil Recovery (IOR).

Consequent to the various initiatives taken by the government, currently the area under exploration has increased fourfold. Prior to implementation of NELP, 11% of Indian sedimentary basins area was under exploration. With the conclusion of seven rounds of NELP, the area under exploration has increased to about 50%. One of the world's largest gas discoveries was made by Reliance Industries Ltd in 2002, in Jamnagar (about 5 trillion cubic meters). Besides, the entry of international companies like Hardy Oil & Gas, Santo, Geo Global Resources, Newbury, Petronas, Niko Resources and Cairn Energy into India has helped boost the growth of the industry.

### Oil and Gas Exploration and Production Events in India

With huge scope of activities and development in Oil and Gas sector in India, a lot of history in this sector is yet to be written. Chronologic order of Major E&P Events in India is,

- |             |   |  |
|-------------|---|--|
| <b>1889</b> | : | The discovery of the 'Digboi Oil field' in Upper Assam was a landmark in the history of oil.   |
| <b>1899</b> | : | AR&T Co formed a new company Assam Oil Company (AOC) and set up a small refinery at Margharita (Upper Assam) with a capacity of 500 bopd to refine the Digboi-oil.                 |
| <b>1901</b> | : | Digboi refinery commissioned.  |
| <b>1911</b> | : | Burma Oil Company (BOC) arrives on the Indian scene.   |
| <b>1921</b> | : | BOC takes over Assam Oil Company (AOC).  |
| <b>1925</b> | : | India's first attempt to use geophysics in its search for oil with a Torsion balance survey in the Bordubi area.   |
| <b>1937</b> | : | Seismic surveys were initiated in and a major 'High' was located at Nahorkatiya in Assam   |
| <b>1948</b> | : | Geological Survey of India (GSI) started geophysical surveys in Cambay area.   |
| <b>1956</b> | : | Moran oil field discovered by AOC. August 14, 1956 Oil & Natural Gas Commission (ONGC) was established. October 15, 1959 ONGC becomes autonomous body, under an act of parliament. |

- 1959 : Oil India Private Ltd (OIL) incorporated and registered as a Rupee Company.
- 1960 : Oil struck at Ankleswar in Gujarat and Rudrasagar in Assam.
- 1961 : GOI and BOC become equal partners in OIL.
- 1962 : The first public sector refinery comes up at Guwahati.
- 1963 : World's first crude oil conditioning plant commissioned at Nahorkatiya. India's first deviated well NHK122 drilled by OIL.
- 1963 : ONGC started offshore seismic surveys in Gulf of Cambay.
- 1968 : Oil discovered in Geleki by ONGC. OIL commissioned the 1158 km oil pipeline to Guwahati and Barauni refineries.
- 1970 : India's first offshore well spudded in the Gulf of Cambay.
- 1974 : Drillship SagarSamrat strikes oil in Bombay High.
- 1974 : Bombay High discovered.
- 1981 : First well spudded in Godavari offshore. 14 October 1981 OIL becomes a Government of India enterprise.
- 1983 : Gas struck at Razole in Andhra Pradesh and Gotaru in Rajasthan.
- 1984 : First Early Production system (EPS) commences in Gujarat.
- 1984 : Gas was struck at Gotaru in Rajasthan by ONGC.
- 1985 : Oil struck in kutch offshore, Godavari offshore and Changmaigam in Assam.
- 1986 : ONGC strikes oil in the Tapti offshore area and Namti structure (Assam).
- 1988 : Commercial gas finds in Rajasthan by OIL Nada field in Gujarat discovered.
- 1989 : Western offshore production reaches a peak of 21.72 MMT.
- 1990 : South Heera field discovered in Mumbai offshore.
- 1998 : New Exploration Licensing Policy (NELP) launched and 48 Exploration blocks offered under round-I.
- 2000 : NELP launched and 25 Exploration blocks offered.
- 2001 : One CBM block awarded on nomination basis.
- 2002 : Third round of NELP launched and 27 Exploration blocks offered.
- 2002 : First round of CBM blocks bidding held and 5 blocks awarded.
- 2003 : Fourth round of NELP launched and 24 Exploration blocks offered.
- 2003 : Two CBM blocks awarded on nomination basis.
- 2004 : Second round of CBM blocks bidding held and 5 blocks awarded.
- 2005 : Fifth round of NELP launched and 20 Exploration blocks offered.
- 2006 : Sixth round of NELP launched and 55 Exploration blocks offered.
- 2006 : Third round of CBM blocks bidding held and 10 blocks awarded.
- 2007 : Seventh round of NELP launched and 57 Exploration blocks offered.
- 2010 : Fourth round of CBM blocks bidding held and 7 blocks awarded.
- 2010 : Eighth round of NELP launched and 32 Exploration blocks awarded.
- 2012 : Ninth round of NELP launched and 14 Exploration blocks awarded.
- 2016 : Discovered Small Field Round Launched on May 25th, 2016

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### **Conclusion**

India is one of the largest countries in the world and developing average in Economy, the transportation system is most importance to connect places, India imports the huge amount of Oil and Petroleum Products from including gulf countries. India is one of the Largest Oil Importer in the world, most of the Oil importing from Gulf Countries. In the recent days, the cost of the petrol hikes invariably which impacts hugely on transportation rates. Oil Industries are one of the major economy sectors and employed hundreds of thousands of peoples. The Oil and Gas Industry in India is one of the most important sectors and constitutes over 50 % of the GDP. In addition, it serves as the backbone for transportation and hence affects the performance of many other industries such as infrastructure, cement, construction etc. So for that our Government should take more concentration to develop the Petroleum Sector in India.

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## **IMPACT AND GROWTH OF TWITTER IN INDIA**

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### **Abstract**

*Twitter is an online news and social networking service where users post and interact with messages, "tweets," restricted to 140 characters. Registered users can post tweets, but those who are unregistered can only read them. Recently the application popularity has risen in every part of the country. Now a day's Twitter are used by most of the political leaders in India. Our Prime Minister tweets regularly on daily issues on Twitter Apps. For the study only secondary data was used. This study focused on impact and growth of twitter in India.*

*Key words: Twitter, tweets, social network application, Apps, e-government, social media*

### **Introduction**

**Twitter** is an online news and social networking service where users post and interact with messages, "tweets," restricted to 140 characters. Registered users can post tweets, but those who are unregistered can only read them. Users access Twitter through its website interface, SMS or a mobile device app. Twitter Inc. is based in San Francisco and has more than 25 offices around the world. Twitter was created in March 2006 by Jack Dorsey, Noah Glass, Biz Stone, and Evan Williams and launched in July, whereby the service rapidly gained worldwide popularity. In 2012, more than 100 million users posted 340 million tweets a day, and the service handled an average of 1.6 billion search queries per day. In 2013, it was one of the ten most-visited websites and has been described as "the SMS of the Internet". As of March 2016, Twitter had more than 310 million monthly active users. On the day of the 2016 U.S. presidential election, Twitter proved to be the largest source of breaking news, with 40 million tweets sent by 10 p.m. (Eastern Time) that day. Prime Minister Narendra Modi used Twitter for campaigning during election time. He had millions of followers on social media. Much government activity is now focused on social media, with social media becoming a central component of e-government in a very short period of time. Shashi Tharoor was first popular Indian leader who introduced twitterbazi in common mass in India. Now Modi government administration strongly encourages agencies to use social media to provide information, communicate with members of the public, and distribute services. It has also made a priority of public usage of social media to participate in government. Most recently when Chennai was affected by flood, many people had been saved through social network like Whatsapp, Facebook, Twitter etc.

### **Review of Relevant Literature**

In the study titled "Local e-government 2.0" by Enrique Bonson, Lourdes Torres, Sonia Royo and Francisco Flores in the year 2012 at European Union. Author provide an overall view about the use of web and social media tools in European Union local governments in order to determine whether local government are using these technologies to increase e-participation and to open a real corporate dialogue. Results show that most local government are using web and social media tools

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to enhance transparency but the concept of corporate dialogue and the use of web to promote participation are still in their infancy at the local level.

The study titled "The impact of polices on government social media usage" was conducted by John carlo bertot, Paul T.Jaeger and Derek Hansen in the year 2011 at Maryland, United States. Government agencies are increasingly using social media to connect with those they serve. These connections have the potential to extend government services, improve decision making and problem solving. However, interacting via social media introduces new challenges related to privacy, security, data management and other information policy issues. Due to growth in usage of social media by public and government agencies there are many issues and challenges. Author states all issues, challenges and give some recommendation to correct it. The paper titled "Using social media to increase advertising and improve marketing" by Kyle hensel and Michael h. dies in the 2010 at Clayton, United States to focus that social media will lead to success in business if it is used by entrepreneurs in a right manner. With the economy in its current conditions, it is imperative that entrepreneur also understands how to use social media to increase advertising and improve marketing. Author will discuss the advantages and disadvantages of using social media to increase advertising and improve marketing. Barnes, (2008) did his research on social media. Companies are using social media platforms to reach customers. Positive word-of-mouth recommendations or reviews on these sites have a positive impact on sales. Furthermore, customers obtain information about companies and brands on social media sites. This study analyzes the effect of word-of-mouth recommendations on Facebook and Twitter. Additionally, research is inconsistent in gender usage of the Internet and social media sites.

### **Twitter and Government**

Government agencies are increasingly using Twitter to connect with those they serve. These connections have the potential to extend government services, solicit, new ideas and improve decision making and problem-solving. Social media like Twitter have changed the way many Indians get information about what's going on in their communities, national and global current events. They provide new ways for citizens to share information and to interact with each other and with elected officials and government agencies. Prime Minister Narendra modi on November 20, 2016 crossed yet another milestone on Twitter- a million followers within just two months taking his follower count to over 16 million. He currently has 16.1 million people following him on Twitter. PM Modi, who has an active social media presence across platforms, is currently the second most followed politicians in the world after US President Barack obama. In the last 30 months in power PM Modi has used Twitter in his diplomatic efforts to reach out to leaders of the world. The Modi administration has made a priority of the use of social media technologies in all government departments. Modi administration strongly encourages agencies (department) to use social media to provide information, communicate with members of the public and distribute services. It has also made a priority of public usage of social media to participate in government so that transparency occurs in all government departments.

#### **1. Twitter Usage / Company Facts**

Twitter mission: **To give everyone the power to create and share ideas and information instantly, without barriers.**

**313m** Monthly active users **1m** Unique visits monthly to sites with embedded Tweets **82%** Active users on mobile **3860** Employees around the world. **35+** Offices around the world **79%** Accounts outside the U.S. **40+** Languages supported **40%** Employees in technical roles. All numbers approximate as of June 30, 2016.

### Statistical Information about users of Twitter in India

**Table 1 Number of active Twitter users in India from 2012-2016**

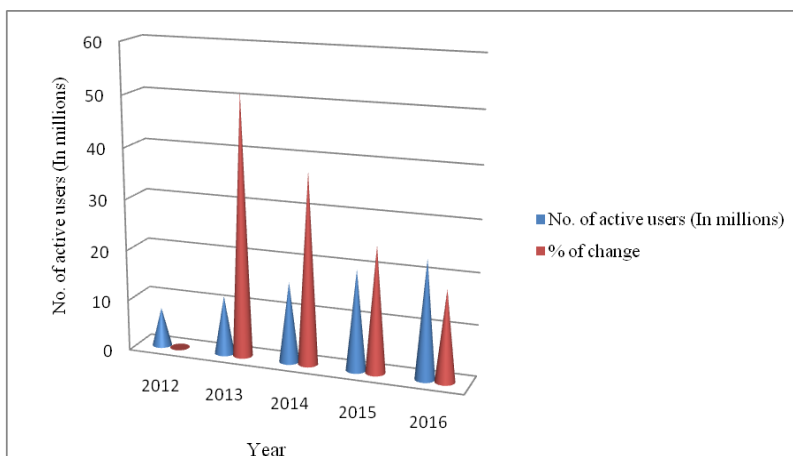
Sources: Electronics records of statista organization, Germany

Years	No. of active users (In millions)	% of change
2012	7.6	-----
2013	11.5	51.3
2014	15.8	37.4
2015	19.7	24.7
2016	23.2	17.8

This above table is illustrated in clustered cone diagram. The table above shows that number of active Twitter users in India from 2012-2016. In the year 2012 number of active users are 7.6 millions from that year there is continuous growth in Twitter user. During the year 2013 it was 11.5 millions, 2014 it was 15.8 millions, 2015 it was 19.7 millions and in 2016 it was 23.2 millions active Twitter users in India. From the

table and chart it is clear that there is continuous growth in Twitter users from 2012-2016. In the year 2013 it had growth percentage of 51.3%, in 2014 it had 37.4% growth, in 2015 it had 24.7% growth and in 2016 it had 17.8% of growth percentage.

Twitter application is one of the fastest growing social network application in the



world and in India too it is the fastest growing application.

### Discussion and Conclusion

Twitter has become a great resource not only for businesses, but individuals and various media/entertainment outlets as well. The character limit requires a business to be more concise, engaging, and direct with their message. Twitter has also been used by businesses to encourage their current followers to recruit new ones via contests, promotions, discounts, etc. People can find and communicate with like-minded individuals on specific subjects/topics (relationships, bands/concerts, politics, hobbies, etc.) Twitter has also fast become a great resource for news and current events. While many people remain reliant on televised or radio broadcasted news sources, an increasing number of people have begun using the internet to seek out information between or in addition to these airings. Twitter allows for many people and media outlets to search/post on specific topics with minimal interference or crossover onto other subjects. One of the most significant impacts is the speed of the news. Twitter transfer message within a second throughout the world. It is the fastest way of communication which passes throughout the world. Citizens will continue to use different media to get and share information, not only with each other, but with

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government. Social media is both boon and curse for the Indian society. In one hand it provides a way to connect our dear ones, on the other side it gives a bias that has become a danger for our tradition and culture. Whatsapp application is the fastest growing social network application in the world and in India too it is the fastest growing application

### **Limitations and Scope for Future Research**

Given its exploratory nature, this study has several limitations. All people are not aware of social media in a country like India where still illiterate people account to 26% of total population. Future research will help citizens and government to navigate the transition from traditional methods to emerging trends. The growing number of cities and towns that have more experience with new media will guide others in minimizing costs and pitfalls. The benefits, especially to citizens in terms of greater access to information and greater sharing of concerns and ideas will lead to increased awareness, collective efficiency and civic participation. The benefits to government include pro-active problem solving and positive public relations that leads to greater political efficacy and public trust.

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## **DIGITALIZATION IN INSURANCE SECTOR (E- INSURANCE)**

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### **Abstract**

*This era in which we live today is predominated by the word "Digitalization". This word has evolved in recent times has undoubtedly become the crux of "Insurance Sector" in our country. In our country digitalization which offer a paperless and an easy way of data availability. E-books, online fund transfer, GPS, e-newspaper, demat account; all these are the examples of the growing boom in the world of digitalization. With digitalization entering into every sector of the market and making everything easy, the insurance sector is also not left behind. Basically, this paper studies the various benefits of e-insurance and main cost reduction levers through digitalization.*

**Key words:** Digitalization, Insurance, e-insurance, E-book.

### **Introduction**

This era in which we live today is predominated by the word "Digitalization". This word has evolved in recent times has undoubtedly become the crux of "Insurance Sector" in our country. In our country digitalization which offer a paperless and an easy way of data availability. E-books, online fund transfer, GPS, e-newspaper, demat account; all these are the examples of the growing boom in the world of digitalization. With digitalization entering into every sector of the market and making everything easy, the insurance sector is also not left behind. Digitalization of insurance and its growing awareness amongst people not only provides the best method for reducing the costs but also increase customer experience. With the introduction of e-insurance account, you will be able to keep all your insurance related documents in a digital format. Managing your insurance policies will become paperless and hassle free. Now, you don't need to maintain and search for policy related documents in a physical form and need not worry in case you lose them. Everything will be available at a click. The concept is similar to demat account which is used to manage documents electronically for shares and securities.

### **Meaning of eIA (e- Insurance Account)**

eIA stands for e-Insurance Account or "electronic Insurance Account" which will safeguard the insurance policy documents of policyholders in electronic format. This e-Insurance Account will facilitate the policyholder by providing access to the insurance portfolio at a click of a button through internet.

### **Importance of the study**

India First Insurance launched the first digitalized policy in September 2013. Less than two per cent of the policies sold in the country are in electronic format. To highlight the importance of holding insurance in a digital format, this protects a policy document from damage or loss, leading to possible claim rejection. The sector regulator's estimates suggest Rs 150-200 per customer is spent by a company annually in maintaining policies in physical form. The digital initiative, pushed by

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the Insurance Regulatory and Development Authority of India, is expected to save at least Rs 100 core a year for the sector. Effectively leveraging digital innovation can allow life insurance companies to reduce customer service costs while increasing both customer satisfaction and retention.

### Statement of problem

In India, acceptability and usage of e-Insurance Account is a big challenge from both the categories like Insured and Insurers. The non-awareness about this facility and not promoting of e-IA from insurance companies is a big hindrance. People still now they don't know e-IA, what is e-IA insurance? What are the different benefits e-insurance and various cost reduction levers? Thus, in this study an attempt has been made to know the different benefits of e-insurance and various cost reduction levers.

### Research Methodology

The research design which has been formed for this research article is descriptive research design. The nature of data which is collected and used for this research article is secondary sources such as articles and various websites.

### Objectives of the study

- i. To know the different merits of e-insurance.
- ii. To explain the main cost reduction levers through digitalization

### Advantages of e-insurance policy for customers

(a) **One stop for all insurance policies:** e-IA account will be one stop for all the policies. On an average any individual holds 7-8 insurance policies both life and general insurance. With e-insurance, you can check complete details of all the policies at one place. It is convenient and hassle free.

(b) **Security & Safety:** The fear of misplacing, theft or damage to policy is not there in e-insurance. The insurance policy is bought for financial security in case of any unfortunate event. In case policy is lost, misplaced or damaged than it is next to impossible for the nominee to claim the insurance cover.

(c) **Ease of managing multiple policies:** In case of multiple policies we tend to forget to pay premium on time thus policy gets lapsed. In case of change in any personal detail like address or phone no, it is difficult to get it changed for all the policies. In e-insurance, you will receive payment reminders & alerts.

(d) **Online Payment and Payout:** For all e-insurance policies, the customer can pay premium online and at the same time can receive maturity amount, money-back, pension, etc.

(e) **Onetime KYC:** KYC is one time activity and in future, if you buy an e-insurance policy than fresh KYC is not required by insurance provider.

(f) **Single Claim Request:** In case of unfortunate event like death of an insured person, no need for nominee to run around with different insurance provider for claims. Nominee can view all the policies at one place. With single claim request, the claim request will be processed for all e-insurance policies (Provided there is 1 nominee for all the policies).

(g) **Wide Network:** Currently insurance providers either don't have wide network or only few branches are authorized to accept specific service request. Most of the insurance repository have wide network therefore customer will be benefited with wide service network.

### Online Vs e-insurance

Online insurance means policy bought online but stored either as physical insurance policy or e-insurance. Whereas e-insurance is a policy stored only in digitize form may be or may not be bought online. Online policy bought in Physical form can be converted to e-insurance policy.

### Main Cost Reduction Levers

**Reduced direct sales costs:** Not only will digital sales help in improving sales and productivity, it will also help in bringing down sales costs and commission ratios.

**Digitalization of front end operations:** Enabling the sales force with tablets and other digital tools can help a great deal in improving their productivity. Reduced turnaround time and effort due to digital tools will also improve the productivity of non-sales employees, leading to additional cost savings.

**Digitalization of back end operations:** Automation of back end operations will lead to a higher percentage of Straight through Processing (STP), digitalization of post issuance customer service, and self servicing that will improve productivity of the employees involved in daily business operations, besides reducing effort and cost.

**Risk management:** Digital initiatives like big data and telemetric can improve underwriting, fraud control and bring about effective claim management, especially for non-life insurers.

**Digital to reduced direct sales costs:** Almost 80 percent of commissions paid by life insurers are towards new business generated. This is almost 100 percent for non-life insurers. Moving 5-10 percent of new business online will lead to direct savings on commissions. The cost of distribution through digital channels is almost one-sixth that of agency and much lowers than any other channel.

### IRDA E-Insurance Policies Regulations

As per IRDA (Issuance of e-Insurance Policies) regulations, 2016; from 1 October 2016, most of the Insurance policies will be issued in electronic form. Electronic Insurance policies will be issued if either the sum assured or either the Sum assured or Single/Annual Premium criteria is met, as mentioned in the table below.

Types of policies	Sum assured (equal to/exceeding)in Rs.	Single/Annual Premium (equal to/exceeding) in Rs.
Pure Term Plan (Excluding with Return of Premium- ROP)	10,00,000	10,000
Other than Pure Term Plan (ULIP/ Endowment/Term with ROP)	1,00,000	10,000
Pension Policies	NA	10,000
Immediate Annuities	NA	10,000
All Retail General Insurance Policies (Except Motor)	10,00,000	5,000
Individual Health	5,00,000	10,000
Motor (Retail)	All Policies	All Policies
Individual Personal Accident & Domestic Travel	10,00,000	5,000
Overseas Travel Insurance	All Policies	All Policies

**Source:** [www.goodmoneying.com](http://www.goodmoneying.com)

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### **Conclusion**

The emergence of digital platform in insurance will bring about not only safety and convenience but also a reduction in premium. In India, response to the e-insurance account has been lukewarm so far. The reason being it's still not well known in the market. The policyholder trusts the recommendation of the sales person or the insurer, and this hasn't been their priority at the moment. All the stakeholders, including repositories and insurance companies, therefore, need to create some sort of awareness.

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## **CONSUMER PERSPECTIVE ON ORGANIC FOOD WITH SPECIAL REFERENCE TO KUMBAKONAM TOWN**

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### **Abstract**

The researcher aims to analyze the consumer's perspective on organic foods with the help of structured questionnaire collected from various supermarkets pertaining to Kumbakonam town. Even the educated people not only prefer organic food items but also illiterate people are suggest to consume organic food products. Consumers say that there are few hurdles to buy the organic food. The core point of this article is the attitude, usage and various other factors relating to organic food from consumer's point of view.

**Keywords:** Organic food, consumer perspective, purchases behavior.

### **Introduction**

Organic crop production did not begin to really develop as an industry until the 1970s. In the early decades of the organic movement there were no uniform standards. At that time organic agriculture ran the gamut from "farming by neglect" to the minimal use of synthetic chemicals. This changed with the passage of the Organic Foods Production. The adoption of a uniform standard was intended to benefit both organic growers and consumers. Today organic crop production is one of the fastest growing segments of agriculture. Record-keeping is an essential aspect of organic production, and documents must be maintained for a minimum of 5 years after they are created. Organic food farming continued in small, mostly family-run, farms or kitchen gardens where people grew food for their own requirements. The produce was sold in farmer's markets. Large scale organic farming was begun by farmers and scientists, as a mark of protest to the agricultural industrialization. Now, organic food is widely available and has become very popular, with soaring sales. Over the decades, the organic movement has taken pace as people become sick of the health hazards of these synthetic chemicals. Today, organic products occupy prime shelf space in the big chain supermarkets

### **Consumer Behaviour**

#### **Meaning and Definition**

The term consumer behaviour is defined as the behaviour that consumer display in searching for, purchasing using, evaluating and disposing of products and services that they expect will satisfy their needs. "The behavior that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs" (Leon G. Schiff man and Leslie Lazar Kanuk, "Consumer Behaviour" 2007)

#### **Review of Literature**

A study by Lockie et al. (2002) identified a strong correlation between increasing consumption of organic food and levels of formal education. A number of studies have consistently established

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the fact that gender has been a significant predictor of the purchase behavior of organic food products. Female consumers are more likely to purchase organic food products OFP compared to males. Cranfield and Magnusson (2003) noted that consumers with higher income levels are more likely to spend more on organic food products. The reason could be that organic food products are perceived as costlier than conventional products in general.

A study by Vermeir and Verbeke (2004), have proved that consumers weigh up health benefits of organic food products on a higher scale than its environmental benefits or benefit to the community in their decision to purchase organic food products organic. Werner and Alvensleben (2011) stated that there is a relationship between the quantity of consumers concern for the environment and their motivation to buy products that are organic.

### Need For the Study

Consumer, nowadays are more concern about food safety and like consume Good quality food items there have been significant changes in the attitude of consumers towards food safety, environmental concern and also organic food products. Organic agriculture not only preserves the environment, but also has less harmful substances and improves health, bringing significant benefits. The interest of consumers and public institutions in organically-produced foods has increased globally. The aim of this study is to analyse the consumption pattern of organic food in Kumbakonam town.

### Objectives

- To know the socio – economic background of consumers of organic food.
- To find the opinion about organic food consumption.
- To identify the various factors influencing purchase of organic food.
- To offer suggestions to increase the purchase of organic food.

### Methodology

The present study both primary and secondary data have been used. The primary data was collected through structured questionnaire from the viewers of Kumbakonam town. The secondary data has been collected from the reports, magazines, textbooks, and websites. This study consists of 50 respondents.

### Analysis and Interpretation

**Table -1 Gender of Respondents**

S.No	Particulars	Frequency	%
1	Male	30	60
2	Female	20	40
Total		50	100

Table 1 showing Gender wise classification of Respondents Maximum numbers of respondents contacted for the study is male (60%) and minimum numbers of respondents are female (40%).

**Source:** Primary Source

**Table 2 Age wise Respondents**

S.No	Particulars	Frequency	%
1	Up to 20	7	14
2	21-30	23	36
3	31-40	15	30
4	Above40	5	10
<b>Total</b>		<b>50</b>	<b>100</b>

Table 2 showing Age wise classification of the Respondent Majority of 36% of respondents come under the age group of 21-30 years whereas 30% respondents belongs to the category of 31 - 40 years and 14% of respondents belong to the age group of up to 20 years.

**Source:** Primary Source

**Table 3 Marital Status of Respondents**

S.No	Particulars	Frequency	%
1	Married	20	40
2	Unmarried	30	60
<b>Total</b>		<b>50</b>	<b>100</b>

Table 3 Showing Marital Status classification of Respondents 60% of respondents contacted for the study are unmarried whereas 40% of respondents contacted for the study are married.

**Source:** Primary Source

**Table 4 Educational Status of Respondents**

S.No	Particulars	Frequency	%
1	Up to HSE	10	20
2	UG	15	30
3	PG	17	34
4	Others	8	16
<b>Total</b>		<b>50</b>	<b>100</b>

Table 4 Showing Educational Status classification of Respondents. The organic food consumers contacted for the study are mostly postgraduates (34%). 30% of the respondents are undergraduates, 20% of the respondents have completed their higher secondary education and 16% of the respondents others.

**Source:** Primary Source

**Table 5 Occupation of Respondents**

S.No	Particulars	Frequency	%
1	Monthly Salaried	30	60
2	Agriculturist	6	12
3	Professional	10	20
4	Business	4	8
<b>Total</b>		<b>50</b>	<b>100</b>

Table 5 Showing Occupation of Respondents 60% of the respondents is salaried and 20% of the respondents are professionals. Only least numbers of respondents are doing business.

**Source:** Primary Source

**Table 6 Monthly Income of the respondents**

S.No	Particulars	Frequency	%
1	Below 10,000	20	40
2	10,001 to 20,000	15	30
3	20,001 to 30,000	9	18
4	Above 30,000	6	12
<b>Total</b>		<b>50</b>	<b>100</b>

Table 6 Showing Monthly Income 40% of the respondents earn below Rs.10, 000 pm and 30% of the respondents earn between Rs.10, 001 to Rs.20, 000 pm. Generally respondents who earn below Rs.10, 000 tend to be consumers of organic food. Fluctuations in the income level is not a constrain in purchasing organic food.

**Source:** Primary Source

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**Table 8 Consumer's opinion on the significance of organic food**

Source: Primary Source

S.No	Particulars	Frequency	%
1	Highly significant	9	18
2	Moderately significant	24	48
3	Not significant	17	34
Total		50	100

Table 8 Showing consumer's opinion on the significance of organic food Maximum numbers of respondents are pertaining up to the Moderately significant 48% of the respondents, Not at all Not significant 34% of

Generally, respondents and have a Highly significant 18% whose consumer's opinion on the significance of organic food .

**Table 9 Consumer's knowledge about organic food**

Source: Primary Source

S.No	Particulars	Frequency	%
1	Yes	50	100
2	No	-	-
Total		50	100

Table 9 Showing Knowledge about organic food from the above table shows that the Knowledge of the respondents regarding the organic food. 100% of the respondents say yes, it understood that the Majority of the

respondents (100%) said the knowledge about organic food.

**Table 10 Factors influencing purchase of organic food**

Source: Primary Source

S.No	Particulars	Frequency	%
1	Nutritious	25	50
2	Taste	5	10
3	Quality	10	20
4	Advertisement	10	20
Total		50	100

Table 10 Showing Preference factor to buy organic food from the above table. It is clear that ,the maximum No of respondents. i.e. 50% are mentioned Nutritious is the influencing factor to buy organic food. It also

source 20% were mentioned quality 20% are Advertisement and the remaining 10% are influenced Taste.

**Table 11 Sources of Information of organic food**

Source: Primary Source

S.No	Particulars	Frequency	%
1	TV	9	18
2	Radio& Newspaper	6	12
3	Reference to websites	10	20
4	Others	25	50
Total		50	100

Table 11 Showing Sources of Information.It is shows from the table 11 the Majority 50% of the respondents get source of information for organic food from others of the total respondents are get from internet & the remaining 18& 12% are from T.V & Radio/ Newspaper.

**Table 13 Reasons for consumption of buying the organic food product.**

S.No	Particulars	Frequency	%
1	Intermediaries	30	60
2	Standard	11	22
3	Latest/Advanced	9	18
Total		50	100

Table 13 Showing Reasons for consumption of buying the organic food product It is shows from the table 13 the Majority 60% of the respondents get source of information for organic food Intermediaries, 22% of the respondents are get from

Standard and are from Latest/Advanced 18% of the respondents.

Source: Primary Source



**Table 14 Price Range Comparison of organic with Usual Foods**

Source: Primary Source

S.No	Particulars	Frequency	Percentage
1	Very good	8	16
2	High	25	50
3	Average	12	24
4	Same	5	10
<b>Total</b>		<b>50</b>	<b>100</b>

Table 14 Showing Price Range Comparison of organic with Usual Foods From the above table shows the respondents range comparison of organic with usual foods. From the above table it is seen that maximum of respondents 50% are Very good and Minimum of respondents 10% same.

**Table 15 Targeted Group of people to Increase organic foods about knowledge**

S.No	Particulars	Frequency	Percentage
1	Young people	15	30
2	Children	20	40
3	Middle aged	10	20
4	Older people	5	10
<b>Total</b>		<b>50</b>	<b>100</b>

Table 15 Showing Targeted Group of people to Increase organic foods about knowledge. From the above table shows that the respondents according to their particular increase organic foods about knowledge. It is reveals that 40%, of the respondent say that Children, 30% say that Young people, 20% say

that Middle aged and 10% say older people.

Source: Primary Source

### Findings of the Study

The Findings of the study are as follows.

- The main problems of organic consumers are uneven accessibility of organic products. Sometimes, the organic consumer would buy non organic products along with organic products.
- The organic products are limited shops in the town.
- The more number of organic products consumer are aged between 21 – 30 accented for 36 percent.
- In Kumbakonam town, out of 50 consumers every one preferred organic products.
- The 48 percent of the consumers need for buying organic food daily.
- The 50 percent of the preferred to organic with usual food.
- The advertisement of organic products is very less while compare to non – organic products.
- Education background of the consumers is one of the main variables which persuade the purchase of the organic products. The result is show that there are others among the respondent and majority of the consumers are postgraduates

### Suggestions

Organic products will not use the more chemical. So Farmer will use nature manure. Government will give the general support& financial support to organic farming. Develop the marketing area and other place. Package provide to good packaging Facilities. Market facility in work area only and regulates the market is also give separate. Certificates will give free facilities because increasing the viewing the organic products. And they have made consumers less confident

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in, and less trusting of, agricultural production systems and the government who was supposed to provide safeguards. The restoration of consumer confidence is therefore a major challenge for the agro-food industry.

### **Conclusion**

People are eager to have organic food because of its benefits. So they cannot be easily changed and it is beneficial to the farmers because it is eco friendly finally we should create the awareness about the organic food to the consumers. They should realize the need and demands of the organic food.

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## **INVESTORS' SATISFACTION TOWARDS STOCK MARKET INVESTMENT – A STUDY WITH REFERENCE TO T-NAGAR IN CHENNAI**

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### **Abstract**

Stock market is a place where buying and selling of shares which are already issued. This study is an attempt to find the investment satisfaction of stock market investors. Investor is a person who expects something such as safety, liquidity, return etc., before investing their money in any one or many investment avenues, but no one can expect or like to take risk. Each and every investor has a wish to earn more return from their investment. Stock market is the only place which gives more return to the investors who are investing in it. The aim the study is to know whether the stock market investors are satisfied or not, because they also expect before investing or after invested in the stock market.

**Key words:** Investment, Liquidity, satisfaction.

### **Introduction**

The recent global economic situation has witnessed immense highs and lows including some unfortunate happenings related to stock market. This has surged a debate on is it really that easy to make money in Indian stock market today. Timing is the most important factor while investing in stock market. The stock market is one of the most interested and inquisitive area for investment. Investment in shares will bring healthier returns compared to any other forms of investment.

### **Objectives of the Study**

- To know the demographic status of the respondents
- To identify the most attracted investment other than stock market
- To find the savings pattern of the respondents
- To measure the level of satisfaction of the respondents.

### **Statement of the Problem**

Stock market investment is not an easy one because it has many ups and downs. The Indian stock market is not only depending on the Indian Economy, Government policies etc., but it also depends the world economy, so the fluctuation in the stock market is not a newer one. Apart from all many investors not an investors addict of stock market regularly investing in stock market and earning high return within short period and also expediently facing the risk, how they attracted by stock market, in what ways they are satisfying. These two are the basic questions for conducting this study.

### **Research Methodology**

For doing this research both primary and secondary data were collected. Primary data were collected from well structured questionnaire. Secondary data were collected from various books, journals, and websites.

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**Sampling Design:** Convenience sampling was used for this study. The questionnaire was collected from the sample of sample of 80 respondents from T.Nagar in Chennai city.

**Scaling Technique:** For accessing the level of satisfaction of the investment in stock market, five factors were taken which influence the investors to invest in stock market with help of five point scale they were Highly Satisfied, Satisfied, Neutral, Dissatisfied and Highly Dissatisfied

**Data Analysis:** After collecting the data it was systematically tabulated and analysed by using SPSS.

### Limitations of the Study

- Due to paucity of time this study limited to 80 respondents only.
- The study was conducted in Chennai city so the findings of this study are not applicable for rural and urban investors.
- Owing to time constraints the study doesn't cover the entire Chennai city.

### Analysis and Discussion

Table - 1

Age of Respondents		
Particulars	Frequency	%
20-40	68	85
41-60	10	12
Above 60	2	3
<b>Total</b>	<b>80</b>	<b>100</b>

The above table shows the age- wise classification of respondents. It was inferred that the majority of respondents 85% were belongs to the category of 20 – 40, 12% were comes under the category of 41- 60 and the remaining 2% were in the age group of above 60.

(Source: primary Data)

Table - 2

Gender of Respondents		
Particulars	Frequency	%
Male	52	65
Female	28	35
<b>Total</b>	<b>80</b>	<b>100</b>

The above table explains the gender of respondents. It was found that 65% were male, 35% were female.

(Source: primary Data)

Table - 3

Occupation		
Particulars	Frequency	%
Salaried	30	38
Agriculturist	22	27
Business	26	32
Others	2	3
<b>Total</b>	<b>80</b>	<b>100</b>

The above table shows the occupation of the investors. It was revealed that 38% of the investors were salaried people, 27% were agriculturist, 32% were doing business and the remaining 2% were belongs to others such as retired, Housewife.

(Source: primary Data)

Table - 4

Monthly Income		
Particulars	Frequency	%
Upto 20,000	52	65.0
20,0001 - 40,000	8	10.0
40,001 - 60,000	16	20.0
Above 60,000	4	5.0
<b>Total</b>	<b>80</b>	<b>100.0</b>

The above explains the monthly income of the investors. It was found that 65% were earned up to 20,000, 10% were in the category of 20,001 - 40,000, 20% were belongs to above 60,000.

(Source: primary Data )

Table - 5

Market Experience		
Particulars	Frequency	%
Less than 2 years	38	47
2-3years	10	13
4 - 5 years	26	32
Above 5 years	6	7
<b>Total</b>	<b>80</b>	<b>100</b>

The above table explains the market experience of the stock market investors. It shows that 47% were less than 2 years. 13% were experienced 3 - 4 years, 32% were experienced 4 - 5 years and the remaining 7% were experienced above 5 years.

(Source: primary Data)

Table - 6

Other Investment		
Particulars	Frequency	%
Bank Deposits	38	47.5
Insurance	8	10.0
Mutual Fund	10	12.5
Post Office	6	7.5
Gold	6	7.5
Real Estate	10	12.5
Others	2	2.5
<b>Total</b>	<b>80</b>	<b>100</b>

The above table shows the investment choices of stock market investors other than stock market investment. It shows 47% were invested in bank deposits, 10% were invested in insurance, 13% were invested in mutual fund, 8% were invested in post office savings, 7% were invested in gold, 12% were invested in real estate, 3% were invested in others such as chit funds, government bonds.

(Source: primary Data)

Table - 7

Total Savings * Total Investment						
		Total Investment				TOTAL
		Below 5%	5-10%	10-15%	Above 15%	
TOTAL SAVINGS	Below 10%	32	2	0	0	34
	10-20%	0	26	0	0	26
	21-30%	0	0	18	0	18
	Above 30%	0	0	0	2	2
Total		32	28	18	2	80

(Source: primary data)

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The above gives the information related to savings and investment pattern of investors. It explains percentage of total investment in stock market from their total percentage of savings. It was observed from the table 7, the majority of 32 investors were saving 5% of from income among the 10%, below 5% were invested in stock market. 26 investors were 5 – 10% from their income among that 10 – 20% were invested in stock market.

**Table - 8**

<b>Dividends</b>		
<b>Level of satisfaction</b>	<b>Frequency</b>	<b>%</b>
Highly Satisfied	46	57.5
Satisfied	28	35.0
Neutral	6	7.5
<b>Total</b>	<b>80</b>	<b>100</b>

The table shows the level of satisfaction of investors on the basis getting dividend. It was inferred 57.5% of the investors were highly satisfied, 35% of the investors were satisfied. 7.5% of the investors were felt neutral.

Source: Primary data

**Table - 9**

<b>Quick Gain</b>		
<b>Level of satisfaction</b>	<b>Frequency</b>	<b>%</b>
Highly Satisfied	22	27.5
Satisfied	40	50.0
Neutral	14	17.5
Dissatisfied	4	5.0
<b>Total</b>	<b>80</b>	<b>100.0</b>

The above table shows the level of satisfaction of investors on the basis of earning quick gain. It shows 27.5% of the investors were Highly Satisfied, 50% of the investors were Satisfied, 17% of the investors were Neutral, 5% of the investors were Dissatisfied.

Source: primary data

**Table - 10**

<b>liquidity</b>		
<b>Level of satisfaction</b>	<b>Frequency</b>	<b>%</b>
Highly Satisfied	28	35
Satisfied	38	48
Neutral	12	15
Dissatisfied	2	2
<b>Total</b>	<b>80</b>	<b>100</b>

The above table shows the level of satisfaction of investors on the basis of Liquidity of the investment. The majority of the investors 48% were satisfied, 35% were highly satisfied, 15% of the investors were opinioned neutral only 2% of the investors were dissatisfied.

Source: primary data

**Table -11**

<b>Safety</b>		
<b>Level of satisfaction</b>	<b>Frequency</b>	<b>%</b>
Highly Satisfied	14	18
Satisfied	38	48
Neutral	26	32
Dissatisfied	2	2
<b>Total</b>	<b>80</b>	<b>100</b>

The above table explains the level of satisfaction of investors on the basis of safety of their investment. 18% of the investors were highly satisfied on the safety of the investment, 48% of the investors were Satisfied, 32% were neutral about the safety of investment and only a little portion of 2% were dissatisfied.

Source: primary data

Table -12

Tax Benefits		
Level of satisfaction	Frequency	Percent
Highly Satisfied	16	20
Satisfied	38	47
Neutral	17	21
Dissatisfied	5	7
Highly Dissatisfied	4	5
<b>Total</b>	<b>80</b>	<b>100</b>

The above table revealed the level of satisfaction of investors on the basis of tax benefits. It was found that 20% of the investors were highly satisfied, 47% of the investors were satisfied, 21% of investors were neutral, 7% of the investors were dissatisfied and the remaining 5% were highly dissatisfied.

Source: primary data

Table - 13

#### Garratt Ranking for Factors Influencing to Invest in Stock Market

Value Particulars	1 (75)	2 (60)	3 (50)	4 (39)	5 (24)	Total Score	Mean Score	Rank
Dividend	12 (900)	4 (240)	24 (1200)	16 (624)	24 (576)	3540	44.25	IV
Quick Gain	16 (1200)	36 (2160)	12 (600)	8 (312)	8 (192)	4464	55.80	II
Liquidity	40 (3000)	12 (720)	20 (1000)	4 (156)	4 (96)	4972	62.15	I
Safety	4 (400)	20 (1200)	20 (1000)	32 (1248)	4 (96)	3844	48.05	III
Tax Benefits	8 (600)	8 (480)	4 (200)	20 (780)	40 (960)	3020	37.75	V

The above tab shows the ranking of various factors which influence the investors to invest in stock market. For this study five factors were taken they are dividend, quick gain, liquidity, safety and tax benefit. Among the five liquidity gets first rank, quick gain gets the second rank, safety gets the third rank, dividend gets the fourth rank and tax benefits gets the last rank.

#### Findings

- It was found that the majority of the investors were male and the maximum of investors were comes under the age group of 20 – 40.
- It was observed from the study 38% of the investors were monthly salaried, and they earn the monthly income of below 20,000.
- It was identified that 47.5% of the investors invest their savings in bank deposits other than stock market.
- It was reveals from the study that 57.5% of the investors were highly satisfied with their dividend , 50% were satisfied with quick gain, 48% were satisfied with their liquidity and safety of investment.47% were satisfied with tax benefits.

#### Conclusion:

Stock market is the one of the good investment avenues for earning maximum return, safety of investment, quick gain and also for the liquidity of investment. It was concluded from this study the investors of stock market are satisfied their investment in various aspects like safety, liquidity, tax benefits, dividend and quick gain. Now – a – days investors have positive prospects to invest in stock market.

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## **GREEN MARKETING INITIATIVES IN INDIAN CORPORATE SECTOR**

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### **Abstract**

Today in the modern world, penetration of people towards sustainable life is increasing. Resources are limited but human needs are unlimited. So resources must be utilized economically and in an environment friendly way. For that today's big challenge is to maintain our natural environment. People are also aware of the environmental issues like global warming and the impact of environmental pollution. Green marketing is a phenomenon which has developed particular importance in the modern market and has emerged as an important concept in India and other parts of developing and developed countries. In this paper main emphasis has been made on concept and need to understand green marketing. This paper describes the present scenario and initiatives taken towards steps for Indian companies to go green.

### **Introduction**

The term "Green marketing" first surfaced in the late 1980s as an extension to which the American Marketing Association referred to it in 1975 as "Ecological marketing". Green or environmental marketing consists all of all activities designed to generate and facilitate any exchange intended to satisfy human needs or wants that occurs with minimal determinable impact on the natural environment. Thus "Green marketing" refers to holistic marketing concept wherein the production, marketing, consumption and disposal of products and services happen in a manner that is less detrimental to the environment with growing awareness about the implication of global warming, non- biodegradable social waste, harmful impact of pollutants etc. Both marketers and consumers are becoming like never before sensitive to the needs for adopting green products and services. As today's consumers become more conscious of the natural environment, businesses are beginning to modify their own thoughts and behavior in an attempt to address the concerns of consumers. Green marketing is becoming more important to businesses because of the consumer's genuine concerns about limited resources on the earth. By implementing green marketing measures to save the earth's resources in production, packaging, and operations, businesses are showing consumers they too share the same concerns, boosting their credibility.

### **Definition of Green Marketing**

According to the American Marketing Association, green marketing or environmental marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs with minimal detrimental impact on the natural environment.

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### **Research Methodology**

This study attempts to study Green marketing practice in the corporate sector in India. Secondary sources of information were used and collected through news papers, magazine, books, journal, Government reports and websites to conduct the study.

### **Objectives of the Study**

To know the concept of green marketing

To examine the need of green marketing

To know about the initiatives taken by top green companies in India

### **Review of Literature**

**Kupuswamy&VenkatramaRaju (2011)** examined that the initiatives undertaken by the companies to improve energy efficiency, devising ways and means for re-use of energy, oils and materials to promote Resource Conservation. It highlights the development of sustainability at three levels, namely, Strategic Level, Relationship and Co-ordination Level and Operating Level.

**The study by RakeshRajpal et al (2011)** analyzed that Green Supply Chain Management (GSCM) is a relatively emerging issue for the majority of Indian Corporations. The findings of this study indicated that industries should emphasize on supplier management performance in adoption of green supply chain management. Implementing Green supply chain properly will drive real business value.

### **Background of Green Marketing**

It is really scary to read these pieces of information as reported in the times recently "Air pollution damages to people, crops and wildlife in US. Total tens of billions of dollars each year". Moreover 12 other studies in the US, Brazil Europe, Mexico, South Korea and Taiwan have established links between air pollutants and low birth weight premature birth still birth and infant death. As resources are limited and human wants are unlimited, it is important for the marketers to utilize the resources efficiency without waste as well as to achieve the organization's objective. So green marketing inevitable. After that there is growing interest among the consumers all over the world regarding protection of environment. Worldwide evidence indicates people are concerned about the environment and are changing their behavior. As results of this, green marketing has emerged which speaks for growing market for sustainable and socially responsible products and services. And moreover thus the growing awareness among the consumers all over the world regarding protection of the environment in which they live, people do wants to bequeath a clean earth to their offspring. Now we see that most of the consumers, both individual and industrial, are becoming more concerned about environment- friendly products.

### **Need to Understand Green Marketing**

Green marketing is increasingly an important issue for most entities involved in marketing whether they are buyers, sellers, or regulators of an industry. Consider how the following market participants can benefit from understanding green markets.

#### **Consumers**

Consumers that understand green marketing have the opportunity to reduce their personal influences on the environment. A growing number of consumers are particularly interested in ways to eliminate their negative influence on the environment, and green marketing efforts are focused on this activity. For example, the consumers that purchases hybrid automobile vehicles. Also,

hybrid engines are twice as efficient as their conventional counterparts and get 30% to 60% better gas mileage

### **Government**

Governments' federal, state, and local governments benefit in a number of ways due to green marketing. Just as consumers sometimes can lower expenditure costs and limit influences on the environment, governments similarly benefit from green procurement programs. For example, the city of Amsterdam uses cold lake water to air condition homes for more than 700,000 inhabitants. The program saves nearly \$300,000 a year in electricity costs and uses just one-tenth of the power of a conventional cooling system.

### **Companies with established environmental reputations**

Companies that have been singled out as standard bearers for green marketing expect significant scrutiny and publicity from environmentally questionable activity

### **Companies highly dependent on scarce human capital**

Services refer to intangible activities that organizations provide to consumers. In the United States, services account for more than 84% of the employment in the economy. The intangible services are provided through human capital, and firms that operate in this sector of the economy must increasingly incorporate green marketing into their product offerings. For example, consumer's dental hygiene and worker productivity benefit from this eco-conscious service design

### **Companies with high brand exposure**

In their annual reports on the best 100 global brands, business week and interbrands provide annual estimate of the earnings attributable to the brand. As brands increase in appeal, they simultaneously increase the amount of scrutiny they incur. In contrast to reports of brands that have little brands equity, stories that indicate the activity of brands with high brand equity are likely to be viewed as more newsworthy.

### **Companies with low market power**

Companies that rely on other forms for substantial amounts of output must attend to the green marketing constraints leveled by the supplier. General mills, one of the largest companies in the packaged grocery business, recently modified the shape of Hamburger Helper on the request of Wal-mart. The retailer pointed out that the once-curly noodles in Hamburger Helper should be straight. This ecologically driven product modification reduced thousands of pounds of packaging and lowered the product's price. As buyers become more attuned to sustainability, suppliers reliant on these buyers must also increase their understanding of green marketing.

### **Companies operating in highly regulated industries**

Government implements regulations to control the manner in which an industry operates. Industries that employ hazardous materials (e.g., the chemical industry) are subject to substantial regulations and the increasing interest in green marketing fuels the need for industrial standards. Similarly, utilities, automobile producers, and airlines must address multiple stringent regulations. The electronics industries face increased scrutiny in the European Union due to "takeback Laws" that require manufactures to handle product disposal after consumer usage. In each of these industries, firms that take a proactive stance toward environmental regulation can implement regulations before adherence is required.

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### Companies dependent on natural resources

Industries that are highly reliant on natural resources recognize the absolute limits in the availability of natural resources. These industries include oil, fish, and forestry. Natural production limits demand that forms understand eco-marketing activity that can conserve scarce resources.

**Table 1.1 Top Green Companies in India**

Sources: [www.newsweek.com](http://www.newsweek.com). Green 2015

Rank	Name of the company	News week Green score
1	Infosys	50.70%
2	Tata consultancy service limited	48.50%
3	Reliance industrial limited	37.90%
4	ITC limited	37.80%
5	Hindustan unilever limited	25.20%
6	Sun pharmaceutical industry limited	23.20%
7	Housing development finance corporation limited	17.30%
8	ICICI Bank ltd	16.80%
9	HDFC Bank ltd	16.50%
10	SBI	15.00%

### Company Initiatives Taken For Going Green

#### Tata consultancy service

There are several green practices employed across TCS facilities. These include opportunities for (I) Energy savings (for example, energy efficient LED lighting, sensor based light turn on/off, building design for cooling efficiency, automatic cooling system modulation based on need and load, alternate energy for lighting and cooking), (II) Reducing water consumption (for example, recycling, rain water harvesting), (III) waste reduction (for example, paper reduction, composting and digesters for bio waste, zero waste to

landfill). (IV) Fuel and emissions reduction through cycling, car- pooling and buses. At TCS, we have made significant strides across all these fronts, leading 42% reduction in electricity consumption, 39% reduction in specific carbon food print, 0.82 million on tones of Co<sub>2e</sub> & 1,328,993 Mwh of electricity avoided, 7 LEED certified campuses, 2.4% of total power from renewable sources, 55% on reduction in business air travel emissions and achieved PUE between 1.81 across 16 key data centre all these above date was FY 2014-15 and it base line year 2007-08.

#### ITC Ltd

ITC strengthened their commitment to green technologies by introducing 'ozone- treated elemental chlorine free' bleaching technology for the first time in India. The result is an entire new range of top green products and solution the environmentally friendly multi-purpose paper that is less polluting than its traditional counterpart. Today more than 43% of the renewable energy sources, several ITC hotels and manufacturing facilities are powered by renewable energy. It is our aspiration to increases the share of renewable energy to 50% by 2020, 34.48 million kl of total water withdrawn, 76.1% water resources were sourced from rivers. Pioneering the movement for 'Green Building' several of the company's properties are now LEED certified. They are making hotels the "Greenest luxury hotel chain".

#### Infosys

Infosys is a global leader in consulting, technology, and outsourcing and next generation services. We enable clients in more than 50 countries to outperform the competition and stay ahead

of the innovation curve. The initiative includes electricity, carbon emission, water management, renewable energy, waste management and biodiversity. Initiative in 12 LEED green building, 11 million sq.ft of smart building, energy management system, solar PV, data center power usage, battery management system, energy consumption of sewage treatment plants, sensor lights, façade lighting, EC fans, PVC pipes, rooftop rainwater harvesting, diesel generator sets, panel based cooling system, rural biogas projects, biomass projects, better transport management by encouraging car pool for its employees and increasing biodiversity in its campuses. First Indian company to join RE100, a global platform for major committed to 100% renewable power. 75.6 million units of electricity through green power ,1,100 MWh of electricity through onsite solar PV initialization, 46% reduction in per capital power consumption

### **Reliance**

Focused on reliance is one of the biggest green and clean energy and largest power generation of India. They are some of green initiative for hydroelectric energy, solar energy and wind energy, carbon credit by using supercritical technology and combined cycle technology, river hydroelectric projects which have minimum environmental impact. Recently reported that “Reliance jio is going green” jio’s now present in all the 29 state in India, Eco friendly green towers in goa, “metallic telecom towers” “4G coconut tree mobile tower” “digital India” vision for our nation. Water for recycling and reuse, material stewardship, reduction in use of primary materials promotes use of recycled materials, biodiversity green belt development and mangrove plantation. Waste management re engineering of process to result in minimal waste

### **Hindustan Unilever Limited (HUL)**

Hindustan Unilever limited (HUL) is India’s largest fast moving consumer goods company the lives of two out of three Indians. HUL works to create a better future every day. We help people feel good, look good and get more out of life with brands and service that are food for them and good for others. USLP is our key differentiator. It’s our blueprint to drive sustainable growth and has three big goals, (I) improving the health and well being of more than a billion people, (II) reducing the environmental footprint of the making and use of our products (III) enhancing the livelihoods of millions of people across our value chain. These are provide some environmental benefits scheme PEFC(programme for the endorsement of forest certification) CLE (centralized logistic expertise), “Kissian ketchup”, “Non electronic purifiers range”, “innovating for a better Tomorrow”, “Zero injury”, “Besafe”, “Zero non-hazardous waste to land fill” etc., further it was factories are equipped with high efficiency motors, variable frequencies drive, LED lights, screw compressors ,

### **Sun pharmaceutical industries limited**

Clean air, fresh water, rich biodiversity and abundant natural resource are imperative to human health and well being. At sun pharma we are aware of the environmental challenges that resource depletion pose and converting them into business opportunities by taking systematic conservation measure. We have robust Environment, Health, Safety (EHS) policy and our consumer encouraged practices this philosophy. In FY 15 2.7 million Kwh of energy was generated through clean power many of our facilities are “Zero liquid discharge”. They are three for sun pharma “Reduce, Recycle, Reuse” and it have been initiative that reduce our energy consumption

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operation by optimizing the process have fruitful results. Some them includes: (I) initialization of boiler economizers and pre heaters (II) using condensate recovery pumps (III) hot water generation from jacket heat exchange (IV) use of fuel efficient packaged boilers that use heat from waste gases of engine exhaust (V) All AHV are installed with VFD to save energy (VI) initialization of motion sensor to reduce electricity wastage (VII) “eco efficient” biomass briquette based boilers.

### **HDFC Bank Ltd**

HDFC bank is the largest bank in India as per market capitalization. It was incorporated in August 1994 and country's has nationwide network more than 4014 branches, and 11,766 ATM's in (2464 India towns and cities). It was among the first companies to receive an “in principles” approval from the Reserve Bank of India to set up a bank in the private sector. HDFC bank, we undertake numerous initiatives to reduce our environmental impact is caused of our operations, some of the key initiatives are listed below. (I) Digital banking (electronic media, paper less transaction, e-statement) (II) Energy efficiency (star-rated and energy efficient ACs and Diesel Gensets, switching off the branch signage after 11 pm, LED lights in office) (III) IT Initiatives(video conferencing, video chatting, on IP phone, to cut down on travel, Automated shout down of server and desktops, responsible e-waste disposal) (IV) Renewable energy (ATMs with solar powerd/ lithium UPS installation in areas of flutuationg power supply) (V) waste management (Recycling of paper and plastic at all branches, the e-waste in an efficient and harmless manner, waste water recycling facilities in one of the our hub locations) (VI) Resource conservation (filters on taps to reduce flow of water, proximity sensor in washrooms, usage of reusable cups and plates, motion sensor to switch off lights in unoccupied rooms).

### **ICICI Bank**

This bank was established in 1994 by the industrial credit and investment corporation of India which is an Indian financial institution. They are some innovative products offered by ICICI Bank are ICICI Bank Unifare Bangalore Metro Card, ‘Touch n Remit’ facility for NRIs in Kingdom of Bahrain, ICICI Bank Ltd launches ‘Video Banking’ for NRI, Pockets by ICICI Bank, ICICI Bank pay on Twitter, Contactless Credit and Debit Cards, My Saving Rewards and iWish-the flexible recurring deposit. As part of its Go Green initiative it also offers Green products and services like Instabanking, vehicle finance and carbon foot print calculator. The bank has a huge country wide distribution network of 4050 branches and 12,642 ATMs. They some initiative for ICICI bank ltd (I) the initiative is part of the bank's corporate social responsibility CSR. Apart from encouraging paperless transaction, the banks instabnking

### **State Bank of India**

SBI has 16,000 plus branches and its 43,515 ATMs and SBI group (including associated bank) has 53,000 ATMs presented, the banking giant has not only saved power costs and earned carbon credits, but also set the right example for others to follow. SBI is also entered into green service known as “Green Channel Counter”. SBI is providing many services like, paper less banking, no deposit slip, no withdrawal form, no checks, no money transaction from all these transaction are done through SBI shopping and ATM cards. State bank of India become the first Indian bank.

### **Housing Development Corporation Ltd**

Housing Development Corporation Ltd on HDFC is an Indian financial conglomerate based in Mumbai, India; it is a major provider of finance for housing in India. It also has a presence in

banking life and general insurance, assets management venture capital and education loans HDFC Ltd has some initiative sustainable programs and equipment used for our Ltd “Better City and Better life” (I) installation of energy efficient lighting systems and air conditioners in all branches in conjunction with the bank to conserve electricity consumption per head (II) an internal index was formulated to monitor paper consumption per LKR 1 million loans approved. In 2009, loan disbursements were made by releasing funds directly to customer saving account instead of issuing cheques (III) paper produced from planted and renewable forest with environmental responsibility, and brought paper consumption under the 3G concept of reduce, reuse, and recycle (IV) resources efficiency cut costs and save resources (V) emission control- focus on strategies, products, services and relationship that transit to low carbon society.

### Conclusion

This is the right time to select “green marketing” concept initiated by Indian companies because green marketing is essential to save the world from pollution air, water, and energy consumption. With the threat of global warming looming large, it is extremely important that green marketing become the norm rather than an exception or just a fad. Recycling of papers, metals, plastics etc., in a safe and environmentally harmless manner should become much more systematized and universal. It has to become the general norms to use energy efficient lamps and other electrical goods. Green marketing companies should gain more importance and relevance in developing countries like India.

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## **TRENDS IN TOP LEVEL EXECUTIVE COMPENSATION**

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### **Abstract**

*This paper include of recent trends in executive compensation. Now days most of the organization providing more compensation to executives to retain the employer in the organisation as well as motivate them to perform well Executive well performance will lead to organisation growth in the economic as well as their life style. In recent years, a large academic has tried to explain the rapid rise in CEO pay experienced over the past three decades. I review the main proposed theories, which span views of compensation as the result of a competitive labor market for executives to theories based on excess of managerial power. Some of these have found support in cross-sectional evidence, but it has proven more difficult to determine which factors have caused the observed changes in pay over time. An alternative strategy is to evaluate the fit of plausible explanations out of sample by contrasting them with the evolution in executive pay and the market for managers during earlier time periods. A case study of General Electric suggests that evidence for earlier decades can speak to the recent trends and reveals the limitations of current explanations to address the long-run data.*

### **Introduction**

As the main decision makers in large public corporations, top executives comprise an important albeit small part of the labor force. Thus, the compensation of these individuals is of special interest because it influences their decision-making process. Since the 1980s, the academic research on executive pay has grown significantly (Murphy 1999). This new interest on the topic is probably related to two main reasons. First, the level of executive compensation has soared since the 1970s, due in part to the increasing use of employee stock options (Murphy 1999, Hall and Liebman 1998). In consequence, both the high levels of pay and the structure of compensation have become under intense scrutiny. Second, comprehensive datasets with detailed information on the compensation of top managers are available for this period, allowing a precise determination of the stylized facts on pay over the past three decades. The recent trends in executive pay have generated a considerable debate on the determinants of compensation. Proposed theories cover a wide spectrum, ranging from viewing the level of pay as the efficient outcome from a competitive labor market for managers to arguing that extremely high pay is the result of managers inefficiently extracting rents from the firms they manage. While some of the proposed hypotheses have found support in cross-sectional evidence, it has proven more difficult to tease out the drivers of pay over time. Since the 1970s, the level of executive pay has exhibited a steady upward trend. Executive employees, such as chief executive officers (CEOs), chief financial officers (CFOs), company presidents, and other upper level managers are often compensated differently than those at lower levels of an organization. Executive compensation consists of base salary, bonuses, long-term incentives, benefits, and perquisites. In addition to understanding the components of executive compensation, there are issues of pay equity and ethics associated with pay for these types of employees.

### **Base Salary of Executives**

Base salary is the regular annual salary of the executive. While job evaluation is typically used to set employee pay in organizations, executive base salary levels are often more influenced by the



opinion of the compensation committee (which consists of some or all of the members of the company's board of directors), which is often dependent on information from salary surveys of similar companies. Typically, pay of CEOs and other executives is set to be competitive with other executive salaries in the market and thus may be very high in comparison to the pay of employees in their own company. Recent data indicates that salaries for executives are on the rise. A survey of 100 major U.S. corporations conducted by Mercer Human Resource Consulting indicates that median total direct compensation for the chief executive officers in these corporations was \$4,419,300 in 2004.

### **Executive Bonuses**

In the base salary of executives, most receive variable pay, a compensation that fluctuates according to some level of performance. The use of compensation beyond base salary is intended to motivate executives to reach certain organizational performance goals, for example, specific profit levels, and reward them for reaching these goals. One very popular type of variable pay is the executive bonus, which is a one-time payment tied to some short-term performance goal. The bonus may be based on any number of performance outcomes, ranging from judgments of executive performance by the board of directors, to levels of company profits or market share. Nearly all executives now receive some sort of bonus as a part of their compensation package. The Mercer study, described above, indicates that the CEOs of 100 major American corporations had a median bonus of \$1.14 million in 2004, which equaled 141 percent of their annual salaries. In other words, bonuses accounted for more money than the CEO's annual salary in this sample.

### **Long-Term Incentives**

In recent years, incentives have become important for rewarding the performance of executives, and now make up about one half of total executive compensation. Incentives are rewards that are linked to specific long-term goals of the organization. The most common long-term incentive is the stock option, which either gives the executive free company stock, or allows him or her to purchase company stock at a reduced price for a period of time. These stocks become more valuable as the company improves financially, and therefore, ownership of stock is intended to encourage the executive to make the organization more profitable. Executives can then sell these stocks at a later time when they have appreciated in value, therefore providing compensation beyond the employee's tenure with the organization. Recent news stories detailing company failures in which unethical accounting practices and artificial inflation of stock prices caused lower-level employees to lose investments in company stock have raised concerns about the ethics of granting large numbers of stock options to executives.

### **Executive Benefits and Perquisites**

Benefits for executive-level employees are also likely to be different than those offered to lower-level employees. Executives will often receive high levels of typical company fringe benefits, like health insurance, life insurance, and pension plans. Additionally, some executives may also have a contract for large severance packages, paying cash and stock options to a CEO fired from a company. Many executives negotiate generous severance packages at the time of hire, so that even if they are unable to deliver upon promises to the company, they can collect compensation upon exit.

Executive perquisites, or "perks," are special benefits and services for executives and other top

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employees of companies. Perks may be things such as a car service, an executive dining room, special parking, membership in clubs, and other such amenities. It is customary for many U.S. executives to receive perks as a part of their total compensation. Some of these perks, like car service or a company airplane, may serve to improve an executive's ability to do his or her job. Additionally, some perks bring with them a certain level of status, for example company-paid membership to an exclusive country club that is appealing to executive employees.

### **Pay Equity**

Pay equity, or the fairness of pay, can be evaluated both internally and externally. These ideas are based on equity theory, a theory of motivation. Equity theory, briefly, indicates that a person examines what he brings to a job (inputs) and what he receives from a job (outcomes) and compares that to a reference person, evaluating the other person's inputs and outcomes. An employee might determine that she brings a certain level of education, experience, and effort to her job and that those inputs result in a certain level of salary and benefits. She would then compare this relationship to the education, experience, and effort, and the subsequent salary and benefits of another person. If these ratios are not equal, then the employee will feel unfairly treated. If this employee determines that her inputs are far greater than her counterpart's inputs, but their pay is the same, this employee will feel unfairly compensated. External equity is the assessment of the fairness of pay in similar jobs in different organizations. Executives who compare their pay to executives in other similar firms are making an assessment of external equity. External equity can be determined through market pay surveys, in which companies share information about the pay and benefits in their jobs. Additionally, the pay levels of executives may be public knowledge, either in company publications to shareholders or in trade organizations. If an executive is compensated highly as compared to others in similar companies, he or she is likely to feel positively about this situation; however, executives who are compensated at a lower rate than comparable executives in other companies may attempt to have their salary raised or may look for another position.

Internal equity is an assessment of the fairness of pay in different jobs within the same organization. Executives and employees compare their inputs and their pay to one another's to determine if they are fairly treated. Internal equity is often referred to as pay structure, and there are two types of pay structures: egalitarian and hierarchical. In egalitarian pay structures, the range of pay from the lowest paid employee to the highest paid employee is not very big; there are not large differences in pay. Egalitarian structures tend to be preferred by the lower-paid employees, because they feel that executive pay is not too high. However, executives may become dissatisfied in organizations with egalitarian pay structures, because they feel that their pay may not be commensurate with their skills or job duties. Hierarchical pay structures, conversely, have a fairly wide range of pay between the lowest and highest paid employees. In hierarchical pay structures, upper-level employees are likely to be paid very high salaries, which they are likely to find satisfying. However, in hierarchical structures, employees in low-level jobs may feel unfairly treated because of their relatively lower pay rate. The pay level of U.S. executives is very high as compared to the pay of executives in other countries, as compared to pay of U.S. executives in the past, and as compared to U.S. employees at lower levels of the organization. Currently, U.S. executives earn about 400 times the pay of the lowest paid workers in their own companies. In Europe and Asia, the pay of executives is about 10 times that of the lowest paid worker. Additionally, many U.S.

executives have generous stock option or severance packages that increase the value of their compensation. The high pay rates of American executives have garnered much media attention, particularly when organizations with high pay rates for CEOs and other top employees have layoffs or plant closings. Many critics argue that executive pay is far too high, and that these pay rates invite ethical problems. To examine the fairness of executive pay, several factors must be assessed. First, the executive pay package should be responsible to shareholders, which means that it is not so high that it detracts from company profits or that its incentives discourage unethical influence of stock prices. Second, pay packages must be competitive with those of other similar organizations so that executives can be recruited, rewarded, and retained successfully. If a pay package is not competitive, there may be motivation problems or turnover. Third, executive pay should fit with the company's strategy so that it encourages overall company success. This is particularly relevant in regards to short-term bonuses and long-term incentives which can be used to steer the performance of the executive and the organization. Finally, compensation for executives must be in compliance with regulations. There are a number of laws regarding retirement plans, stock options, and other compensation components which must be followed when designing executive pay plans.

### **Ethical Concerns with Executive Compensation**

The base salary, bonuses, incentives, and benefits for executives have raised serious questions about the ethical implications of such pay. One concern about the high pay level for American executives is that they may encourage executives to make business decisions that benefit themselves rather than the organization in order to meet performance goals necessary to receive incentive pay. This is particularly likely if incentives are short-term in nature. For example, an executive may drive up short-term profits that cannot be sustained, only to collect a large bonus and leave the company before long-term financial problems are revealed. A second concern with the ethics of high executive pay is the use of stock options as an incentive. Recent evidence of illegal practices in some high-profile American companies has prompted the enactment of the Sarbanes-Oxley Act of 2002. This act prevents executives of companies from keeping profits or bonuses acquired from selling company stock if they have misled the public about the financial health of the company to increase stock price. Finally, some question the ethics of the high level of executive pay when lower-level employee pay has not risen at the same rate. There is a continually widening gap in compensation in different levels of organizations; for instance, the Mercer study described previously determined that CEOs enjoyed bonuses of 141 percent of salary in 2004, while other studies indicate that typical clerical and technical staff earn approximately 5 percent of salary as an annual bonus. Although some argue that executive level positions deserve high rates of pay due to the nature of the job and the high level of responsibility involved, others argue that the gap in executive versus typically employee pay has widened so dramatically that employees are under-compensated and may even be tempted to engage in unethical behavior, such as stealing from the company. Executive compensation consists of base salary, bonuses, long-term incentives, benefits, and "perks." Total executive compensation has increased dramatically in recent years, which has led to concerns about pay equity and ethics. Because of the strong focus on external equity when determining executive compensation, internal equity is likely to be a concern. Additionally, as the gap between pay at lower and higher levels of the organization increasingly widens, many CEOs are perceived to be overcompensated. There are other ethical issues to be considered, such as the motivation of executives based on their bonuses, incentives, and stock option grants.

## **GLOBAL TRENDS IN WORK FORCE DIVERSITY**

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### **Abstract**

*The subject matter of this paper is workplace diversity. The study is conducted to explore how companies manage workforce diversity and its consequences to the company's existence as well as examine how companies' deal with challenges that comes with employees from diverse cultural backgrounds. Diversity covers a wide range of human attributes and qualities. Diversity is critically linked to the organization's strategic direction. Where diversity flourishes, the potential benefits from better creativity and decision making and greater innovation can be accrued to help increase organization's competitiveness. One means of achieving that is through the organization's benefits package.*

### **Introduction**

In the past HRM was considerably simpler because our work force was strikingly homogeneous. Today's work force comprises of people of different gender, age, social class sexual orientation, values, personality characteristics, ethnicity, religion, education, language, physical appearance, marital status, lifestyle, beliefs, ideologies and background characteristics such as geographic origin, tenure with the organization, and economic status and the list could go on. This includes HRM offerings that fall under the heading of the family friendly organization. A family friendly organization is one that has flexible work schedules and provides such employee benefits such as child care. In addition to the diversity brought by gender and nationality, HRM must be aware of the age differences that exist in today's work force. HRM must train people of different age groups to effectively manage and to deal with each other and to respect the diversity of views that each offers. In situations like these a participative approach seems to work better.

### **Future Trends in Work Force Diversity**

#### **Even Greater Business Interest and Commitment**

Organizations are seeing the business case for diversity, driven by research such as McKinsey's findings that diverse teams outperform industry norms by 35%. CEOs themselves are reporting clear business benefits: 85% surveyed by PwC report that where their organization has a clear D&I strategy, it has increased performance. As a result, it's no surprise to see senior leaders across different industry sectors making diversity a clear corporate commitment. And, importantly, such commitment is not just 'noise' – driving D&I to the top of the agenda, it has been proven to make diverse initiatives more likely to succeed.

#### **Making Diversity Data Public**

A number of tech companies – Facebook and Twitter, for example – have pioneered making their diversity data public, with others now following suit. While this has opened the 'disclosers' up to some criticism based on current diversity levels, it has a) set a standard for openness that others are likely to follow (or face even more intense criticism), and b) created a further incentive for organizations to ensure there is positive news to report. With such a focus on corporate diversity – and multiple studies in to the current state regarding different aspects within it – expect this trend to continue.

### **Diversity' Becoming More Nuanced**

To really 'match their market', organizations are moving beyond a narrow definition of diversity (race, gender) to a more nuanced definition that includes groups such as people with disabilities, or veterans who may otherwise struggle to enter the corporate working world. Cognitive diversity represents a particularly exciting next frontier, as diversity of this type is likely to further help develop creative, innovative teams that leverage the principle of 'diversity of thought'.

### **'Diversity' and 'Inclusion' Unbundled**

While 'Diversity & Inclusion' are invariably grouped together, organizations are starting to make sure they meaningfully address *both* of these dimensions, ensuring in particular that the 'inclusion' element receives due attention. 'Diversity' is seen to relate to numbers – it's something that can be quantified, reported on. 'Inclusion', perhaps harder to quantify, is no less important – it's about 'making diversity stick' by changing cultural awareness, understanding and values to ensure a people-centric workplace and effective, highly engaged teams.

### **Proactive Initiatives**

Organizations are manifesting this higher-than-ever commitment to diversity and inclusion through proactive initiatives across both diversity (such as specific hiring programs, reaching out to create hiring partnerships with relevant organizations, and so on) and inclusion (such as proactive staff training across multiple aspects of diversity, often within culture-change or leadership development initiatives...). The ultimate goal? A cohesive approach to talent management that incorporates diversity and inclusion at every level - something akin to the 'Inclusive Talent System' that represents the top level in *Bersin By Deloitte's* diversity maturity model. One organization already there is Australia's QBE Group: quoted in PwC's survey 'The CEO Agenda', CEO John Neal stated: Diversity of thought, or "thought diversity" is still an emerging field, but the authors expect it to grow, since new neurological technologies that assess how people think are beginning to hit the marketplace. In the meantime, here are five simple steps the folks at Deloitte suggest managers can take to increase the thought diversity in their companies:

### **Hire the Unconventional Candidate**

You've just interviewed three candidates; let's call them Jeff, Rose, and Spencer. When you asked all three the same 10 questions, Jeff answered seven right, Rose six, and Spencer only five. Naturally, you're inclined to hire Jeff and Rose. But then you notice that Spencer answered correctly all the questions that your two other candidates missed. In his book "The Difference," University of Michigan economist Scott Page uses precisely this scenario to illustrate how managers could vary their practices to hire for more thought diversity. Page found that most companies would have hired Jeff and Rose - the two candidates with the highest scores. But the smarter move might be to higher Spencer, Page says, because he was able to answer questions the other two missed, suggesting he brings a different way of thinking to the table.

### **Know Your team, and Leverage their Unique Talents**

The first step any manager should take, says Deloitte specialist leader Carmen Medina, is to assess the team. Who's a creative thinker? Mathematically inclined? Good with words? Strong managers know which particular skills their employees have, and use that knowledge to assign work that plays to specific employee's strengths. Having a staff of employees who each contribute in

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unique ways and maximizing the value of their individual talents will bolster the company as a whole.

### **Rephrase Your Questions to Encourage Honest Feedback**

A common question for a boss to ask his team at the end of a presentation is: "What do you think?" Well, this question is a death knell for thought diversity. It's broad, vague, and often leaves the listeners wondering what, exactly, their boss wants to hear. Instead, it's important for managers to ask clear, specific questions that are designed to elicit constructive criticism and diverse opinions. Rather than asking employees what they think, for example, Medina says a manager could ask something like, "What part of my proposal did you like the least?"

### **Encourage "Reverse Mentoring" On Your Team to get a Mix of Perspectives**

With new technology constantly rolling out, it's increasingly common to see younger workers teaching older ones how to use the new tools. This process of "reverse mentoring" helps younger employees feel like their ideas are valued and provides a fresh perspective for more established office members. Managers can help encourage reverse mentorship among their teams, or company leaders can put a formal program in place like networking and communications manufacturer Cisco Systems did.

### **Create a Culture that is Open to New Ideas, and Start with Yourself**

Thought diversity is about how people think, and that's a reflection of who they are. If your employees don't feel comfortable being themselves in the office, then their varied ideas and ways of thinking won't come to the fore. It's important for managers not to stifle conversations or be close-minded to suggestions, even on their own ideas.

### **More CEOs Are Piping Up**

Outside of the surge in corporate webpages that now include a diversity statement from the CEO, more CEOs are using their platforms to address inclusion issues live. Last quarter Lockheed Martin CEO Marillyn Hewson credited diversity as a key engine in completing needed work in the Energy space, while Intel's CEO Brian Krzanich used his time on the platform at the 2015 International Consumer Electronics Show to announce a major Diversity in Technology initiative. Intel's initiative includes new hiring and retention goals and a \$300 million allotment for building a pipeline of female and under-represented engineers and computer scientists. There's a reason that in top companies, CEOs are prioritizing and spearheading diversity dialogue and that in not-so-great workplaces, CEOs aren't saying a word.

### **Semantics Aren't So Subtle Anymore**

What's in a name? When it comes to diversity, if you're not tying inclusion efforts to innovation, then you're thinking archaically. More and more employers are explicitly tasking diversity roles with innovation, in part by titling key jobs accordingly. The Corporation for Public Broadcasting employs a Senior Vice President for Diversity and Innovation among its senior staff—while Genentech recently posted an advertisement for a Senior Director of Innovation, Diversity & Inclusion. Abbott, a company long recognized as an employer of choice, has installed a Director of Next Generation Recruitment, Diversity & Innovation position, the purpose of which is to help the organization maintain its positive employer brand and harness the newest technology to source top applicants and predict their success. For a function that's long been marginalized, framing Diversity

in terms of its inventiveness, imagination, and competitiveness is a smart practice for re-enlisting employees in organizational change.

### **Diversity's Definition Has Changed**

In addition to creating a workplace inclusive of race, gender, and sexual orientation (to name a few), many organizations are seeking value in something even simpler, diversity of thought. In some industries that are known for being insular – think law or high-tech companies – seeking out talent with different thinking and problem solving backgrounds is critical. Deloitte research underscores that diverse thinkers help guard against groupthink, a dynamic I observed firsthand last year with a large corporate client. Partnering with the company just after they had experienced a major product failure, the CEO lamented that the failure resulted from too much blind agreement internally – something Deloitte's study calls "expert overconfidence." Future-thinking companies see the danger in this lack of diversity and often question their own hiring and retention practices – and even their everyday operating norms.

### **It's Less about Being a Good Corporate Citizen**

The business case for diversity has never been more front and center than it is now...and why not? Basic economic theory suggests that consumers will correct for a company's lack of diversity by simply not spending money there – making slow-to-change organizations extinct. The same can be said of employees, who are constantly balancing the costs of working somewhere against the personal benefits they derive, including a match in values. Gains in employee engagement, effort and retention alone make for a compelling diversity proposition. Add to that customers who evangelize your diversity philosophy and products – and feel you have insight into who they actually are, and the diversity ROI is hard to ignore.

### **Technology Will Move From Burden to Benefit**

HR analytics expert Josh Bersin found in his research that the average large company has more than 10 different HR applications (including diversity data), taking considerable effort to bridge and synthesize that data into meaning. Luckily, startups are building new "diversity technology" that drives more precise, actionable change. Gap Jumpers came up with software that allows for blind interviewing and testing via the computer, helping to sidestep the risk of biased hiring decisions. Unitive helps employers write more inclusive job descriptions and creates accountability during interviews, for example calling out if a hiring manager disregards criteria they initially said was very important to them in a hire. Not surprisingly, those companies seen as most mature in terms of HR also spend the most on HR – and foresee their largest future HR investment being in technology.

### **Conclusion**

In this study it is concluded that work force diversity will take place an important role in future corporate sector. Companies have to look forward towards the development of these techniques to enhance the productivity and to reduce employee attrition.

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## **ECO LABELING IN THE CONTEXT OF GREEN MARKETING**

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### **Abstract**

*The significance of eco labeling can be understood by the level of its influence in helping consumers to judge the validity of an eco friendly product. The claims of the company are not true at all point of time. In this case eco labeling proves to be helpful in determining the authenticity of the claims made by the company. The influence of eco labeling in the context of green marketing is something noteworthy. The core point of this paper is to explain the concept of eco labeling and its due importance in green marketing. This paper is prepared with the help of secondary data only.*

**Keywords:** Eco labels, Environmental claims, Green marketing and Schemes.

### **Introduction**

An Eco label analyses the overall performance of a product based upon its life cycle considerations. In most of the developed countries there are environmental declarations and environmental claims made in favour of the products marketed such as “recyclable”, “eco friendly”, “low energy” and “green dot”. Consumers could not believe the assertions of the company unless certain organizations were formed with the objective of establishing guiding standards for providing third party labeling. Based on overseas experience, appropriate eco-labelling, with associated verification and certification procedures, is a driver for the increased uptake of recycled content and /or sustainable products. Eco-labels belong to the class of “New environmental policy instruments” (NEPIs), together with voluntary agreements, eco-taxes and tradable permits.

### **Objectives of the study**

- To make the concept of eco labeling clear.
- To appraise the eco labeling schemes present in various countries.
- To assess the role of eco labeling in green marketing.
- To describe the scheme of eco labeling in India and various other countries.

### **Meaning of Green Marketing**

The marketing of green products is called green marketing or environmental marketing. Green marketing thrives on the underlying philosophy reduce, reuse and recycle.

### **Meaning of Eco Labelling**

Eco labeling is labeling of products and materials to indicate their environmental quality including how they have been produced and their impact on the environment. Green marketing can be successful provided suitable eco labels are displayed in the package of the products in order to provide information to the consumers regarding the eco friendly nature of the product. The most important role of eco labels is that it provides awareness to the consumers whether a product is eco friendly or it is claimed to be eco friendly just for the sake of earning profits.



### Role of Eco labeling in green marketing

- **Environmental Protection:** The scheme of eco labeling has got to play a greater role in green marketing as environmental protection is ensured by giving suitable eco labels to eco friendly products. The provision of eco labels tends to encourage the production and consumption of environmentally preferable goods and services. Eco labeling also encourages efficient utilization of renewable and non-renewable resources in order to make sure that the resources are sustainable in point of view of future generations.
- **Promotion of Green Marketing:** Eco labeling is definitely a tool to promote the marketing of eco friendly goods or green products. Eco labeling aims to create new opportunities in improving the environmental performance of the company. Innovation in the field of environmental marketing is encouraged with suitable incentives by each eco labeling schemes. The value of an environmentally friendly product will tend to soar in case it is provided with suitable eco labels and it also enhances the corporate image of the company.
- **Enhancement of Consumer Awareness:** One of the important roles of eco labeling in the context of green marketing is the creation of consumer awareness. In a market where consumers are less conscious of eco friendly products, eco labeling may prove to be helpful in making consumers aware of such products. Eco labels provide reliable information about the environmental impacts of the products. A product is said to be green if its impact is not adverse to the environment. Such impact can be well understood by the display of eco labels in the product package.

### Types of Eco labels

The International Organization for Standardization (ISO) has identified three broad types of voluntary environmental labels.

Type I	Voluntary, multiple-criteria based, third party programme that awards a license that authorizes the use of environmental labels on products indicating overall environmental preferability of a product within a particular product category, based on life cycle.
Type II	Informative environmental self declaration claims
Type III	Voluntary programme that provides quantified environmental data of a product, under pre set categories of parameters, set by a qualified third party and based on life cycle assessment, and verified by that or another qualified third party.

### Eco LabellingSchemes

Internationally, environmental labeling programmes are becoming popular. A large number of countries including India have launched eco labeling schemes.

Country	Name of Programme	Year Started
Germany	Blue Angel	1977
Canada	Environmental Choice	1988
Japan	Ecomark	1989
Nordic Countries	White Swan	1989
New Zealand	Environmental Choice	1990

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Sweden	Good Environmental Choice	1990
United States	Green Seal	1990
Austria	Austrian Eco-label	1991
India	Ecomark	1991
European Union	European Flower	1992
France	NF-Environment	1992
South Korea	Ecomark	1992
Singapore	Green Label	1992
Netherlands	Stitching Milieukeur	1992
Croatia	Environmentally Friendly	1993

### Indian Eco Mark

The earthen pot is chosen as the logo for the ecomark scheme as it uses a renewable resource like the earth which does not produce hazardous waste and consumes little energy in making. Its solid and graceful form represents both strength and fragility, which also characterizes the eco system.

### Conclusion

Eco labels thus, help the consumers to decide upon a product as to whether it is environmentally friendly or not. The significance of eco labeling can be noticed to the extent of its influence in the manufacture of a product and marketing of the same product to the consumers. Eco labels are given on the basis of 'Cradle to grave' approach which makes it clear that a product is assessed in terms of environmental impact right from the phase of its manufacture to the end phase of disposal.

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## **A STUDY ON EFFECTIVENESS OF TRAINING PROGRAM OF NEYVELI LIGNITE CORPORATION LTD**

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### **Abstract**

*Training programs are necessary in any organization for improving the quality of work of the employees at all levels particularly in this present world of rapidly changing technology, changing values and environment. Every organization needs to have well trained and experienced people to raise the skill level and increase the versatility and adaptability of employees. The employees recruited in an organization to perform a specific task. That task differs for each employee. Training is a process by which the employees are trained about the job theoretically as well as practically. Neyveli Lignite Corporation Limited is a 'Navaratna status' Central Public Sector Undertaking engaged in lignite mining and power generation. NLC provides various training programs to all levels of employees.*

### **Introduction**

Every organization needs to have well trained and experienced people to perform the activities that have to be done. If the current or potential job occupant can meet this requirement, training is not important. But when this is not the case, it necessary to raise the level and increase the versatility and adaptability of employees. "Training is the organized procedure by which people learn knowledge and skill for a definite purpose". Training is the corner stone of sound management for it makes employees more effective and productive. It is actively and intimately connected with all the personnel or managerial activities. It is an integral part of the whole management program, with all its many activities functionally interrelated. The management is benefited in the sense that higher standards of quality are achieved, a satisfactory organizational structure is built up. Training heightens the morale of employees; it reduces the rate of turnover. Further, trained employees make a better and economical use of materials and equipments, therefore wastage and spoilage are lessened.

### **Neyveli Lignite Corporation Ltd**

Neyveli Lignite Corporation Limited is a 'Navaratna status' Central Public Sector Undertaking engaged in lignite mining and power generation. NLC was registered as a company on 14<sup>th</sup> November 1956 under the Companies Act 1956. The mining operations in mine-I were formally inaugurated by the Honourable Prime Minister Pandit Jawaharlal Nehru. Now NLC has 3 mines and 2 power stations. The main business of the company is generation of Electricity. The tariff for electricity generated by the company is fixed by the Central Electricity Regulatory Commission. The affairs of the company are governed by Board of Directors. At present out of 18,092 employees, 4,150 Executives, 7,901 Non-Executives and 6,041 Labourers are working in Neyveli Lignite Corporation Limited.

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### **Vision**

“To emerge as a leading Mining and Power Company, continue to be Socially Responsible Company and strive for operational excellence in Mining and Exploration”

**Mission:** “To play an active role in the society and be sensitive to emerging environmental issues”

### **Approach**

A systematic and positive approach to enhance on all the three facets, viz. profit, people and planet in such a manner to deliver value addition to all stakeholders.

### **Training Programmes of NLC**

HRD scenario of NLC can be best described taking into consideration the diverse production process involved and the efforts of the employees in learning by themselves many skills in trade and professionalism, which is its strength today and reflected in its high earnings growth. NLC firmly believes in the adage “Learning occurs at all times”. All employees are providing opportunity on wholesome approach to develop their potential and use it in achieving corporate goals. This is done on a 3-tyre system; In-house, deputation and foreign training. NLC adopts the process of “LAB to LAND” and vice versa in selecting the subjects for training and the target participants, whereby, human resource development has become a continuous process giving the desired result in the application of learning on the job.

#### **In-house training programmes**

For updating skills to meet technological and social changes and to keep all individuals in operable conditions, number of short duration “In house program” are conducted. Following are the broad categories of training program offered:

- Community development program
- Environment & economic development program
- Functional development program
- General program
- Individual development program
- Industrial health care and personality development program
- IT/computer related program
- Material management program
- Organisation development and industrial psychology program
- Productivity oriented program
- Safety, fire and hazard related program.
- Skill development program
- Technical program

#### **Deputation Training:**

Employees in certain key result areas are selected and sent for training in institutes like NITIE, IIMs, State and Central labour institutes; ASCI, Hyderabad, MDI, Gurgaon, etc., to gain advanced and latest knowledge on technology and science. It has helped them to achieve two pronged

motivation strategy of updating individuals knowledge and skills, besides helping employees acquire additional inputs of updated knowledge through interaction with their counterparts.

### Foreign Training:

To acquire specialized “know-how” and “know-why” skills of design, erection, operation and maintenance of equipments and machinery, selective workers, supervisors, executives in key areas are sent abroad for training.

### Objectives of the study

- To study the effectiveness of training program in NLC.
- To find out the satisfaction level of respondents against trainer and training environment.
- To suggest techniques to improve the training program in NLC.

### Methodology

This study includes both primary data and secondary data. The primary data were collected from employees by using structured questionnaire. Sample size for the study was 100. Secondary data has been collected from Books, Journals, Reports and Websites.

### Chi-Square Test

The objective of Chi-Square test is to determine whether the real or significant difference exists among various groups. Chi-square test involves comparison of Observed frequency and Expected frequency to determine whether the difference between the two is greater than that might occur by chance.

- The Null Hypothesis is rejected if the computed value is greater than the tabulated value.
- The Null Hypothesis is accepted if the computed value is less than the tabulated value.

**H<sub>0</sub>**=There is no significant relationship between years of service and satisfaction level with training program.

Observed value(O)	Expected value(E)	(O-E) <sup>2</sup> /E	Observed value(O)	Expected value(E)	(O-E) <sup>2</sup> /E
2	3.5	0.64	2	2.86	0.25
4	4.9	0.16	---	0.66	0.66
3	1.3	2.22	6	7.35	0.25
1	0.3	1.63	2	1.95	0.01
15	15.75	0.03	----	0.45	0.45
22	22.05	0.01	5	2.8	1.73
6	58.50	47.12	3	3.92	0.21
2	1.35	0.31	----	1.04	1.04
6	7.7	0.37	----	0.24	0.24
14	10.78	0.96	TOTAL		58.87

Degree of freedom (df) = (n-1) = (20-1) = 19

### Result

The table value chi-square for d.f (19) at 5% level of significance is 30.144. Hence, calculated value is greater than the table value, the Null Hypothesis of no significant relationship between years of service and satisfaction level with training program were rejected.

### Findings

- 75% of respondents said the topic covered during the training program was adequate.
- 80% of respondents have given their opinion that the method of training was clear.

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- 72% of respondents have settled that their training goals were achieved.
- 90% of respondents expressed that they will recommend others to attend similar training program.
- Majority of respondents (85%) said that they have improved their work effectiveness after attending the training program.

### **Suggestions & Conclusion**

- The concerned authority of NLC should choose the right training program for right person. The training programs are to be tailored to offer specialized training.
- The training programs should be personalized to provide clear method of presentation, satisfaction with trainers and training aids, adequacy in topic coverage.
- The training program will be more effective only, if it exactly suits with the requirement of the trainee. Further the training program should be modified for homogeneous groups.

Trainers and supervisors can devise programs with knowledge of how people learn the strength and weakness from the training program with the latest concepts available. From the study, it is observed that Training Programs of NLC aims to increase the knowledge and skills of the workers. It has a supporting workforce which is the backbone of the organisation that helps in achieving the objectives.

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## **A STUDY ON THE GROWTH OF DEPOSITS IN KUMBAKONAM CENTRAL CO-OPERATIVE BANK Ltd., AT THANJAVUR DISTRICT- AN EMPRICAL ANALYSIS**

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### **Abstract**

The bank has offered number of deposit schemes to the public which include Savings bank deposits, Fixed deposits, Current deposits, Recurring deposits and the like. The mobilization of resources through deposits helps the bank to meet growing demands from various sectors of the economy namely, agriculture, small scale industry, weaker section of the community and the like. "The quantum of deposits and growth rate in deposit figures show the extent of public confidence that a bank enjoys". In this study related to Growth of Deposits in Kumbakonam Central Co-operative Bank (KCCB) Ltd. at Thanjavur District.

**Key Words:** Deposit Mobilisation- KCCB- Trend Percentage.

### **Introduction**

Banks barrow and lend. They borrow money by accepting deposits from the public including members of the bank. Mobilisation of deposits is one of the main functions of banking business and an important source of working fund for the bank. The District Central Co-operative Bank functions is also the same that of other Commercial Banks.

### **Profile**

The Kumbakonam Central Co-operative Bank Ltd., commenced on 08.02.1913 in Kumbakonam Town. The bank operations are covered with 15 Taluks in three districts like Thanjavur, Thiruvarur and Nagapattinam Districts. Thanjavur District has 8 branches including Head Office, Thiruvarur District has 9 branches and Nagapattinam District has 17 branches, totally the Kumbakonam Central Co-operative Bank to has 34 branches from these Districts. This banks has crossed more than 100 years in banking services.

### **Objectives**

To assess the growth of deposit mobilization in Kumbakonam Central Co-operative Bank Ltd., at Thanjavur District.

### **Methodology**

For finding the growth in deposit mobilization, a 10 years data in the respective study area were collected from the office records, books of accounts and audited statements. These data were evaluated through the respective technique.

### **Types of Deposits**

#### **1. Saving Bank Deposit:**

A Savings Bank Deposit is meant for the people of the lower and middle classes who wish to save a part of their current incomes to meet their future needs and also intend to earn an income from their savings. The banks, therefore, impose certain restrictions on the savings bank deposit

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and also offer a reasonable rate of interest. The need of keeping cash reserves against such deposits is comparatively larger vis-à-vis the Fixed Deposits but smaller as against the Current deposits, because of the restrictions on the number of withdrawals. With the extension of banking facilities during the last decade and the growth of banking habit amongst the people, the Savings Deposits of all Scheduled Commercial Banks and Co-operative Banks were increased.

For evaluating the Savings Bank Deposit Mobilisation of the Kumbakonam Central Co-operative Bank Ltd., in the study area during the study period were assessed with the tool of Trend percentage in the following Table 1.

**Table No: 1 Saving Bank Deposit Mobilisation**

**Source: Annual Reports**

YEAR	Saving Bank Deposits (Rs. in lakhs)	Trend Percentage
2004-05	1339.11	100
2005-06	1236.99	92.37
2006-07	1265.29	94.49
2007-08	1378.39	102.93
2008-09	1628.31	121.60
2009-10	1913.82	142.92
2010-11	1926.33	143.85
2011-12	2110.76	157.62
2012-13	3030.16	226.28
2013-14	3663.37	273.57

### Inferences:

It was found that the Saving Bank Deposits mobilised by the Kumbakonam Central Co-operative Bank Ltd in Thanjavur District is very low during the year 2005-06 and very high during the year 2013-14 when compared to the overall study period. It is find it from the tool of Trend Percentage.

### 2. Recurring Deposit Mobilisation

A type of bank account which the customer makes a deposit on a periodical

interval up to a certain period of time is known as 'Recurring Deposit Account'. The purpose of this type of account is to encourage thrift and savings habit and make it a rewarding recurring habit. The account is ideal for convenient savings. It enables to build up a sizeable capital in a regular and systematic way. The following table 2 shows the Recurring Deposit Mobilisation in the study area during the study period by the Kumbakonam Central Co-operative Bank Ltd.

**Table No: 2 Recurring Deposit Mobilisation**

**Source: Annual Reports**

YEAR	Recurring Deposits (Rs. in lakhs)	Trend Percentage
2004-05	178.55	100
2005-06	164.91	92.36
2006-07	168.70	94.48
2007-08	183.79	102.93
2008-09	217.10	121.59
2009-10	255.17	142.91
2010-11	262.81	147.19
2011-12	289.97	162.40
2012-13	413.40	231.53
2013-14	499.79	279.92

### Inferences:

It is find that the Recurring Deposit position of the Kumbakonam Central Co-operative Bank Ltd. were in decreasing trend upto 2006-07, when compared to the base year study. Thereafter it is increased sharply. The growth of Recurring Deposit is more than 2.5 times increased during the last year of the study when compared to the base year.



### 3. Current Deposit Mobilisation

A Current Account is a running and active account which may be operated upon any number of times during a working day. These deposits are also known as demand deposits. Generally, no interest is allowed on current deposits and in case, the customer is required to leave a minimum balance undrawn with the bank. Cheques are used to withdraw the amount. These deposits are kept by businessmen and industrialists who receive and make large payments through banks. The following table 3 shows the Current Deposit by the Kumbakonam Central Co-operative Bank Ltd., in the study area during the study period of 2004-05 to 2013-14.

**Table No: 3 Current Deposit Mobilisation**

**Source: Annual Reports**

Year	Current Deposits (Rs. in lakhs)	Trend Percentage
2004-05	892.74	100
2005-06	824.56	92.36
2006-07	843.53	94.49
2007-08	918.93	102.93
2008-09	1085.54	121.60
2009-10	1275.88	142.92
2010-11	1318.17	147.65
2011-12	1444.37	161.79
2012-13	2073.50	232.26
2013-14	2506.79	280.80

#### Inferences:

It is find that the Current Deposit position of the Kumbakonam Central Co-operative Bank Ltd. were in decreasing trend upto 2006-07, when compared to the base year study. Thereafter it is increased sharply. The growth of Current Deposit is morethan 2.5 times increased during the last year of the study when compared to the base year.

### 4. Fixed Deposit Mobilisation

Fixed Deposits mean the deposits with the bank for a fixed period which is specified at the time of making the deposit. These deposits are also known as Term Deposit or Time Deposit. A fixed deposit is repayable on the expiry of a specified period, chosen by the depositor to suit his purpose and to enable him to get back the money as and when he needs money. The banks to formulate fixed deposit schemes specially meant for senior citizens on which they may offer higher and fixed rates of interest as compared with normal deposits. These schemes will also incorporate simple procedure for automatic transfer of deposits to nominees of such depositors in the event of death. The following table 4 shows the Fixed Deposit Mobilisation in the study area during the study period by the Kumbakonam Central Co-operative Bank Ltd.,

**Table No: 4 Fixed Deposit Mobilisation**

**Source: Annual Reports**

Year	Fixed Deposits (Rs. in lakhs)	Trend Percentage
2004-05	6517.02	100
2005-06	6019.15	92.36
2006-07	6157.80	94.49
2007-08	6708.20	102.93
2008-09	7924.50	121.60
2009-10	9313.93	142.92
2010-11	10252.24	157.31
2011-12	11231.78	172.35
2012-13	16126.94	247.46
2013-14	19496.95	299.17

#### Inferences:

It is find that the Current Deposit position of the Kumbakonam Central Co-operative Bank Ltd. were in decreasing trend upto 2006-07, when compared to the base year study. Thereafter it is increased sharply. The growth of Fixed Deposit is nearer to 3 times during the last year of the study when compared to the base year.

#### Conclusion:

Deposit Mobilisation is the key functions of the banks. Accordingly the Kumbakonam Central Co-operative Bank Ltd. function regarding to the deposit mobilization is low during the period 2005-06 and 2006-07 when compared to the base

year. Thereafter the trends of all types of deposits of this bank were increased. From that it shows the good position and functions of the Kumbakonam Central Co-operative Bank Ltd.

## **A REVIEW OF THE CAPITAL STRUCTURE THEORIES**

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### **Abstract**

*In this paper the authors survey capital structure theories, from the start-up point, which is considered Modigliani and Miller's Capital structure irrelevance theorem, to recent theories, such as the Net Income Approach, Net Operating Income Approach, Traditional Approach. For each type of model, a brief overview of the papers surveyed and their relation to each other is provided.*

**Keywords:** Capital, Capital structure, leverage, debt, equity, Value of the firm, agency cost.

### **Introduction**

Capital Structure – The capital structure is how a firm finances its overall operations and growth by using different sources of funds. Debts comes in the form of bond issues or long- term notes payable, While equity is classified as common stock, preferred stock or Retained Earnings. short term debt such as working capital requirements is also considered to be part of the capital structure. A company's capitalization structure has a significant bearing on measures of its profitability and financial strength, Such as net profit margin, Return on equity, debt-equity ratio, interest coverage and so on.

### **Capital Structure Coverage**

- Capital Structure Concept
- Capital Structure Planning
- Concept of value of a firm
- Significance of cost of capital (WACC)

### **Capital Structure Theories**

#### **Assumptions**

- Firms use only two sources of funds- equity & debt
- No change in investment decision of the firms, i.e. no change in total assets.
- 100% dividend payout ratio. i.e. no retained earnings.
- Business risk of firm is not affected by the financing mix
- No corporate or Personal taxation
- Investors expect future profitability of the firm

### **Modigliani – Miller Model (MM)**

MM approach support the Net Operating Income approach, i.e., the capital structure (debt-equity mix) has no effect on value of a firm. Further, the MM model adds a behavioural justification in favour of the Net operating income (NOI) approach (Personal leverage).

**Assumptions:** Capital markets are perfect and investors are free to buy, sell & Switch between Securities are infinitely divisible. Investors can borrow without restrictions at par with the firms. Investors are rational & informed of risk-return of all securities. No corporate income tax, and no transaction costs. 100% dividend payout ratio, i.e. no profits retention.

### MM Model Proposition

Value of a firm is independent of the Capital Structure. Value of firm is equal to the capitalized value of operating Income. ( i.e. EBIT) by the appropriate rate ( i.e. WACC).

Value of firm = Market value of Equity+ Market Value of Debt

$\frac{\text{Expected EBIT}}$

Expected WACC

As per MM, identical firms (except capital structure) will have the same level of earnings. As per MM approach, if market values of identical firms are different, 'arbitrage process' will take place. In this process, investors will switch their securities between identical firms (from levered firms to un – levered firms )and receive the same returns from both firms.

**Levered Firms** – value of levered firm = Rs.1,10,000.

Equity Rs.60,000 + Debt Rs.50,000

$K_d = 6\%$  , EBIT = Rs.10,000

Investors holds 10% share capital

**Unlevered Firm** –Value of Un-levered firm =Rs.1,00,000

EBIT = Rs.10,000 and investor holds 10% share capital.

**Returns from levered firm-** Investment =10%

$1,10,000 - 50,000 = 10\% \times 60,000 = 6,000$

Return =  $10\% [ 10000 - 6\% \times 50,000 ] = 1000 - 300 = 700$

### Net Income Approach (NOI)

Net income approach proposes that there is a definite relationship between capital structure and value of the firm. The capital structure of a firm influences its cost of capital (WECC), and thus directly affects the value of the firm.

### NI Approach Assumption

NI Approach assumes that a continuous increase in debt does not affect the risk perception of investors. Cost of debt ( $K_d$ ) is less than cost of equity ( $K_e$ ). Corporate income taxes do not exist .As per NI approach, Higher use of debt, capital will result in reduction of WACC.As consequences, value of firm will be increased.

Value of firm=Earnings/WACC

Earnings (EBIT) being constant and WACC is reduced, the value of the firm will always increase. Thus, as per NI approach a firm will have maximum value at a point where WACC is minimum i.e. When the firm is almost debt financed.

### Net Operating Income Approach

Net operating income (NOI) approach is the most exact opposite of the Net Income approach. As per NOI approach, value of a firm is not dependent upon its capital structure.

### Assumption

WACC is always constant and it depends the business risk. Value of the firm is calculated using the overall cost of capital i.e. the WACC only. The cost of debt ( $k_d$ ) is constant. Corporate income taxes do not exist.

**NOI Propositions-** The use of higher debt component (borrowing) in the capital structure increases the risk of shareholders. Increase in shareholder's risk causes the equity capitalization rate to increase, i.e. higher cost of equity ( $K_e$ ). A higher cost of equity ( $K_e$ ) nullifies the advantages gained

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due to cheaper cost of debt ( $k_d$ ). In other words the finance mix is irrelevant and does not affect the value of the firm. Cost of capital is constant. As the proportion of debt increases. No effect on total cost of capital.(WACC).

### Traditional Approach

The NI approach and NOI approach hold extreme views on the relationship between capital structure, cost of capital and the value of firm. Traditional approach (intermediate approach) is a compromise between these two extreme approaches. Traditional approach confirms the existence of an optimal capital structure; When WACC is minimum and value is the firm is maximum. As per this approach, a best possible mix of debt and equity will maximize the value of the firm.

### The approach works in 3 stages

1. Value of the firm increase with an increase in borrowings(since  $k_d < k_e$ ) As a result, the WACC reduces gradually. This phenomenon is up to a certain point.
2. At the end of this phenomenon, reduction in WACC ceases and it tends to stabilize. Further increase in borrowings will not affect WACC and the value of firm will also stagnate.
3. Increase in debt beyond this point increases shareholders risk and hence  $k_d$  also rises due to higher debt. WACC increases and value of the firm decrease.

### Conclusion

When regarding to a firm's capital structure, the Modigliani-Miller theorem opened a literature on the fundamental nature of debt versus equity. The capital structure of a firm is the result of the transactions with various suppliers of finance. In the perfect capital markets world of Modigliani and Miller, the costs of different forms of financing do not vary independently and therefore there is no extra gain from opportunistically choosing among them. Nevertheless, financing clearly matters, and that as a consequence of taxes, differences in information and agency costs. The various theories of capital structure differ in their interpretation of these factors. Each emphasizes some cost and benefits of alternative financing strategies, so they are not designed to be general.

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## **A STUDY ON OCCUPATIONAL STRESS AND ITS EFFECTS ON WOMEN EDUCATORS**

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### **Abstract**

*Stress can lead to physical, psychological and behavioral difficulties. However certain amount of stress is always referred with a negative connotation, viz., distress, which causes problems. Everybody is facing stress in their but it depends upon their level even a kids were also facing stress in their life. In this case why I choose working women's in the sense of they are play more than one role in their life like mother, wife, daughter, daughter-in-law etc., like wise they are facing so much of struggles daily to analysis that only I have choose this as my research area. By this I found majority of the working women's facing high level of work stress in their work place due to some were reasons but still they wants to run in their life to reach their destiny.*

**Keywords:** Working women's, Work stress, Job performance, Occupation, Health issues.

### **Introduction**

#### **What is work place stress**

"Workplace stress" then is the harmful physical and emotional responses that can happen when there is a conflict between job demands on the employee and the amount of control an employee has over meeting these demands.

#### **Definition of stress**

There are numerous definitions of stress. But before presenting some of them, it is appropriate to cite the pioneering work of selye, the person identified with its current usage of the term stress. He, as early as 1950, used the word stress to refer to the general breakdown of the body in response to the wear and tear of the modern life. Schular (1982) defines stress as "a dynamic situation of uncertainty in solving something important". McGrath (1970) defined stress as, "the anticipation of inability to respond adequately (or at a reasonable cost) to perceived demand accompanied by anticipation of negative consequences for inadequate response". Stress according to him is a process involving four distinct stages. Stress can hit anyone at any level of the business and recent research shows that work related stress is widespread and is not confined to particular sectors, jobs or industries. "The adverse reaction people have to excessive pressures or other types of demand placed on them at work." Stress is not an illness – it is a state. However, if stress becomes too excessive and prolonged, mental and physical illness may develop.

#### **Review of Literature**

Muddanagoudapatil (2016) in the study it said, women's in modern global world have to play a dual role as housewife and career builder. This study was conducted about the stress among working and non-working women's. Stress is a part of modern life, with increasing complexity of life, stress is likely to increase as that which is conceived as the position of a person occupies in a

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system. Finally the study concluded that the working women's were had more stress than the non-working women's. Bharathi and T.Babu (2015) Many women in India were drawn towards the IT-ITES industries due to relatively high wages and the opportunity to be part of an upscale, globalized work environment. Coping referred the attitudes and behaviors that one uses to maintain ones emotional well-being and to adjust the consequences of stress. This study was attempted to understand the stress coping styles adopted by women who were working in IT-ITES industries.

### **Research Methodology**

#### **Objectives of the study:**

1. To measure the impact of work stress on job performance of women educators.
2. To analyze the attitude of women educators towards work stress.
3. To identify relationship between the effects of work stress and the stress related diseases.

**Method of data collection:** Secondary data were collected from various journals, books and through websites.

### **Occupational Stress of Women Educators's**

#### **Causes of work stress for women in work place**

##### **More household responsibilities**

The latest Household, Income and Labour Dynamics survey found that housework in Australia is still shared unevenly. The data found women completed more than double the amount performed by men, about 16 hours per week. They also spent more time caring for children, running domestic errands and babysitting.

##### **Work/life balance**

Australia is rated as "above average" in the recent OECD How's Life? report, with one exception: work/life balance. Figures from the Australian Bureau of Statistics (ABS) paint a similar picture. "Putting in extra hours at work (paid or unpaid) was especially common in families where both parents were employed full-time," with women responding that they struggled the most.

##### **Friendships and family life**

Last year's Stress and Wellbeing in Australia survey found that significantly larger numbers of women reported visiting social networking sites, eating or sleeping more to manage stress than in previous years. The study found 47% of working women cited family issues as a major area of ongoing stress.

##### **Concern over remuneration and the gender pay gap**

New figures from the ABS show that, on average, full-time working women's earnings are 17.1% less per week than men's (equating to \$262.50 per week). Half of all women reported stress over finances, according to the APS research.

##### **Lack of job satisfaction**

While there is some good news in the APS survey with women "more likely than men to report being involved in their job, an international study found the opposite. It analyzed a traditionally "satisfying" and prestigious job - lawyer - and found that out of 326 respondents, women had significantly lower job satisfaction, "due primarily to their lack of influence and promotional opportunity".

**Mental stress, especially depression**

One in four (24%) Australians reported mental health issues as a source of stress and three in four working women said current stress was having some impact on their performance at work. Worryingly, a World Health Organization (WHO) study suggests within five years, depression will become "the second leading cause of global disability burden," with women affected twice as much as men.

**Stress Related Diseases**

**Heart disease:** Researchers have long suspected that the stressed-out, type A personality has a higher risk of high blood pressure and heart problems. We don't know why, exactly. Stress can directly increase heart rate and blood flow, and causes the release of cholesterol and triglycerides into the blood stream. It's also possible that stress is related to other problems -- an increased likelihood of smoking or obesity -- that indirectly increase the heart risks. Doctors do know that sudden emotional stress can be a trigger for serious cardiac problems, including heart attacks. People who have chronic heart problems need to avoid acute stress -- and learn how to successfully manage life's unavoidable stresses -- as much as they can.

**Asthma:** Many studies have shown that stress can worsen asthma. Some evidence suggests that a parent's chronic stress might even increase the risk of developing asthma in their children. One study looked at how parental stress affected the asthma rates of young children who were also exposed to air pollution or whose mothers smoked during pregnancy. The kids with stressed out parents had a substantially higher risk of developing asthma.

**Obesity:** Excess fat in the belly seems to pose greater health risks than fat on the legs or hips -- and unfortunately, that's just where people with high stress seem to store it. "Stress causes higher levels of the hormone cortisol," says Winner, "and that seems to increase the amount of fat that's deposited in the abdomen."

**Diabetes:** Stress can worsen diabetes in two ways. First, it increases the likelihood of bad behaviors, such as unhealthy eating and excessive drinking. Second, stress seems to raise the glucose levels of people with type 2 diabetes directly.

**Headaches:** Stress is considered one of the most common triggers for headaches -- not just tension headaches, but migraines as well.

**Depression and anxiety:** It's probably no surprise that chronic stress is connected with higher rates of depression and anxiety. One survey of recent studies found that people who had stress related to their jobs -- like demanding work with few rewards -- had an 80% higher risk of developing depression within a few years than people with lower stress.

**Stress Coping Strategies**

- Begin living now
- Stop living in the future/past
- Stop asking to be rescued
- Stop waiting until and marking time
- Write a journal of your daily activities, thoughts and moods
- List your successes
- Listen to feedback from others
- Set goals realistically
- Make friends with people who like themselves

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- Think positively
- Learn what is and what is not controllable in your life
- Enjoy leisure
- Be honest about how you feel
- Express yourself
- Meditate daily
- Read about human growth
- Pretend you're a perfect parent to yourself
- Figure out ways to achieve your goals
- Take a continuing education course
- Stop collecting people with problems
- Stop rescuing people
- Learn to accept what you cannot change
- Stroke yourself
- Surface your feelings
- Practice self-expression
- Let other people run their own lives
- Think to solve problems rather than depending on "magical powers"
- Get acquainted with happy, successful people
- Expect to enjoy your relationships
- Develop your personal talents
- Give yourself permission to be afraid of failure and succeed
- Encourage gentleness in yourself and others

### Conclusion

This paper is to present an overview of occupational stress of women educator's, by thus had a result the various stress related diseases on women educators considered for this study, the major diseases faced by the women were headaches and back pain. Major effects of stress were eating too fast, been worried about health, difficulty relaxing, lost interest in things, walking early and low energy/tiredness. While seeing this study, the working women's have to get concentrate in their personal and like in their professional work so that only they are facing this much stress in their life. In order to reduce the work stress of women educators should be properly allocate their work time and they have to split their personal time and work time properly. And they should know how to manage the timing of work in the work place. The interpersonal relationship among the women educators should be encouraged and improved through proper socialization process.

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## **A STUDY ON INVESTORS' ATTRIBUTES TOWARDS INVESTING IN SHARES WITH REFERENCE TO KUMBAKONAM TOWN**

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### **Abstract**

*In the present scenario, Investment in shares is one of the widely accepted investing options which are available for individuals, otherwise so called investors. At present there are various types of investors with different perception playing in the market. The attitude of investors influences the buying pattern, holding pattern and selling pattern of their investment securities. It is a part of behavioral finance concept. In this study evaluate of Investor's attributes who are all the small investors in stock market and also find out the person in who are having high attitude interest in the investment environment structure depending upon their age limit. Analyzing factors that affect the interest in investing in stock market on the behalf of the age limit in the selected urban area as like Kumbakonam instigates curiosity in researchers. Finally it concluded that reflected to deliver a high positive strength attitude about 41- 50 years of age group people has performed well in the three views of tables i.e., sources of awareness, Amount of investment and frequency of investment, others not in the good placement. so it could be taken to conduct various awareness programmes at various intervals in regular place. It can transform the attitude of investors as this becomes important to strengthen the country's economy.*

**Keywords:** Consumer behaviour - Small investor – Stock market.

### **Introduction**

An investment as a commitment of funds made in the expectations of some positive rate of returns. If the investment is properly undertaken, the return will commensurate with the risk the investor assumes. The major purpose of investment is to get a return or income on the funds invested. In the current global scenario, stock market has play a vital role of the peoples' investment and this can be very much evident by the fact that nearly 24 recognized stock exchanges exist in India, around 6,000 stock brokers and lakhs of investors involve to display their investment an saving in the market, in order to make profit for their economical upliftment. But at the same time one fact should be understood is that many small investors are not effectively making profit in the stock market through investing in equity stock. The strategy used by these investors in selecting the stock plays a major role in the success of their investments. In this study evaluate behaviour of consumer who are all the small investors in stock market and also find out the person in who are having high attitude interest in the investment environment structure depending upon their age limit. Analyzing factors that affect the interest in investing in stock market on the behalf of the age limit in the selected urban area as like Kumbakonam instigates curiosity in researchers.

### **Objectives of the study:**

- To examine the certain age group small investor behavioral biases in stock market investment in urban area.
- To exhibit the various factors influencing the selection of investment as a stock market investment by certain age group small investor in Kumbakonam town.

### **Profile of Study Area:**

The researcher has taken one of the urban town namely Kumbakonam Tanjore district which has a population of 1,40,021 (as per 2001 census), 11,000 sq.m of land and is of municipal corporation status. This study focused on small investors who are investing their money with the

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stock broking agencies functioning in Kumbakonam. This study is done by the researcher within the period of one month from the middle of August 2016 – September 2016

### Data Collection:

The researcher used both primary and the secondary data for the purpose of this research study. The primary data was collected by using an Interview schedule which was prepared after discussing with subject experts and few small investors of the same location. The interview schedule consist of eighteen questions, out of which first thirteen questions cover certain demographic profile of the investors whereas the rest covers the various factors that influence the investors in selecting the equity stock of their investments. The researcher also used some of the secondary data which was collected from the internet and from the stock broking offices in Kumbakonam town. The researcher has taken 50 small investors out of the 300 Demat account holders of the broking agencies as sample for the purpose of this study by using random sampling method.

### Data Analysis:

The researcher has analysed the primary data to extract the findings of this study using simple percentage (Descriptive analysis) that influence the selection of investment depending upon only by grouping age wise classification to the small investors for computing Investors' attributes and attitudes reflection in their investment towards stock market.

### Review of Literature

1. **Mart Grinblatt and Matti Keloharju, (2011),** In their study extended to determine the selling and buying behavior pattern of domestic and foreign investor. Foreign investor as well as domestic investor particularly household investor is same as to their buying and selling pattern. It depends upon to buy the past winning stocks and sell the past losers stocks in the market. Even though the controlling action behavior performed between both of them, the Foreign investor was outperformed than the Domestic investors.

2. **Dechow, Hutton and Sloan, (2011),**Analysts' performance growth are usually rotated by around the new equity offerings but, most of the optimistic analyst's lead their offerings by the way of employed under writers as a consultant to invest of them.

### Result of Analysis:

**Table 1 Demographic Profile of Investors**

Profile	Categories	No. of Investors	Percent
Age	Up To 30	10	20.0
	31-40	11	23.3
	41-50	11	23.3
	51-60	09	16.7
	60 And Above	09	16.7
Sex	Male	20	53.3
	Female	18	46.7
Marital status	Married	12	26.7
	Unmarried	14	33.3
	Widowers	16	40.0
Religion	Hindu	15	36.7
	Muslim	13	30.0
	Christian	14	33.3
Education	Post Graduate	16	40.0
	Graduate	09	16.7

Employment category	Intermediate	08	13.3
	No Formal Education	13	30.0
	Self Employed Person	14	33.3
	Full Time Salaried Person	14	33.3
	Retired Person	14	33.3
Monthly Income	Up To Rs.5,000	10	20.0
	Rs.5,001-Rs.10,000	11	23.3
	Rs.10,001-Rs.15,000	07	10.0
	Rs.15,001-Rs.20,000	08	13.3
	Rs.20,001-Rs.25,000	10	20.0
	Above Rs.25,000	08	13.3

The above table explains the various demographic profile of small investors of the urban area Kumbakonam town.

**Table 2 Sources of Awareness**

Age	Advertisements	Spouse	Friends and relatives	Agents
Up to 30 years	1(10%)	2(%)	2(20%)	1(16.67%)
31 – 40 years	2(20%)	3(%)	1(10%)	1(16.67%)
41 – 50 years	6(60%)	9(%)	4(40%)	1(16.67%)
51 – 60 years	1(10%)	6(%)	2(20%)	1(16.67%)
Above 60 years	0(0%)	4(%)	1(10%)	2(33.33%)
<b>Total</b>	<b>10</b>	<b>24</b>	<b>10</b>	<b>6</b>

Table 2 explains the source of awareness of the investors of the study area investing regarding stock market on the basis of the age

limit of the investors. It is noticed that investors who are in the age group of 41-50 has strongly interested to take advice from their spouse. The highest frequency held on this table refers spouse advice. Another notable point regarding advertisements, above 60 years age group people not like to take advertisement as a source one of them.

**Table 3 Amount of Investment**

Age	Less Than 5,000	5,001-10,000	10,001 – 15,000	Above 15,000
Up to 30 years	2(25%)	2(9.09%)	1(10%)	1(10%)
31 – 40 years	1(12.5%)	4(18.18%)	1(10%)	4(40%)
41 – 50 years	1(12.5%)	5(22.72%)	4(40%)	2(20%)
51 – 60 years	3(37.5%)	8(36.36%)	2(20%)	1(10%)
Above 60 years	1(12.5%)	3(13.63%)	2(20%)	2(20%)
<b>TOTAL</b>	<b>8</b>	<b>22</b>	<b>10</b>	<b>10</b>

Table 3 extracts the amount of investment that the investors of the study area invested in stock on the behalf of their age limit proportion. It is clearly evident that a majority of 44% of the investors investing 5001-10000 scale scheme. In that 51-60 year class people were participating more in others.

**Table 4 Frequency of Investment**

Age	Weekly	Monthly	Quarterly	Annually
Up to 30 years	1(16.67%)	2(7.40%)	1(11.11%)	1(12.5%)
31 – 40 years	1(16.67%)	4(14.81%)	2(22.22%)	1(12.5%)
41 – 50 years	2(33.33%)	8(29.62%)	3(33.33%)	3(37.5%)
51 – 60 years	1(16.67%)	11(40.74%)	2(22.22%)	2(25%)
Above 60 years	0(0%)	2(7.40%)	1(11.11%)	1(12.5%)
<b>TOTAL</b>	<b>6</b>	<b>27</b>	<b>9</b>	<b>8</b>

Table 4 reflects the frequency of investment that how times the investor investing their money in the stock market on the behalf of their age limit in the study area. It clearly showed that the

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majority of 27 out of 50 investors were performing to take monthly investment scheme. Most of them avoid weekly investment scheme.

**Scope of further Study:** Due to time and cost constraints, the researcher has focused only on the age factor in the selected area. Therefore, the researcher took interest to study the urban investors' preferences according to age their age limit only on investing in the stock market. The researcher strongly feels that there will be further wide scope in connection with this study as stated below:

- (i) The study can be extended to other depended demographic variables.
- (ii) In addition to that the study can be extended to other urban towns of the district to understand the investors' attitude and influential factors towards investing in equity stocks.

**Findings and Conclusion:** This study was mainly focused to evaluate behavioral biases of consumer who are all the small investors in stock market and also find out the person in who are having high attitude interest in the investment environment structure depending upon their age limit. Analyzing factors that affect the interest in investing in stock market on the behalf of the age limit in the selected urban area as like Kumbakonam instigates curiosity in researchers. With this understanding, the researcher exposed the following points as the part of findings of this study:

- (i) It was understood that the majority of investors have selected their spouse advice as a source of awareness. Overall 41-50 years of investors have performing the high percentage of interest in various source of awareness.
- (ii) In the next, the 50, out of 22 were performed in a better way to select the investment scheme of 5001-1000 in stock market. In this 41-50 years of age group people ranked as a high attitude investors in the amount of investment analysis.
- (iii) To the core of the above it is amazing to know the frequency of investment in stock market, the age limit of 41-50 years of people have achieved take a top position in the 4 levels of investing period.

To conclude, the above mentioned points are reflected to deliver a good strength attitude about 41- 50 years of age group people has performed well in the three views of tables i.e., sources of awareness, Amount of investment and frequency of investment. Others not in the good placement so it could be taken to conduct various awareness programs at various intervals in regular place. It can transform the attitude of investors as this becomes important to strengthen the country's economy. Small investors' participation is also important for the capital market in the long run. Thus this should be given importance by the organizations such as Security Exchange Board of India (SEBI), Bombay Stock Exchange (BSE), National Stock Exchange (NSE) and Multi Commodity Exchange (MCX) to organize special program to create awareness to invest in equity stock among the small investors of urban and rural area.

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## **CONCEPTUAL FRAMEWORK OF TRAINING IN INDUSTRIES**

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### **Abstract**

*The study aims to identify the overall training methods and techniques used in Various industries and to determine the training benefits and effectiveness to the employees overall in global level organization.*

### **Introduction**

#### **Training**

Training is the process of improving skills and knowledge to doing a particular job. It is accelerate the people to continue their job in proper manner. It is one of the tool to leverage and expose our talents in various sectors. Most of the people become get more skills and exposure by training. It helps to people aware about the organisation culture, job techniques, rules and procedures from anywhere in organization. Training gives the potential and confidence to the people for moving a job in right way, it helps and support people to doing job without any discrepancies, if anyone can achieve success in career through proper training, if an employee concentrate and interested in proper training that employee will get clarity and communication through training for future endeavour. It gives self confidence and make experience about the particular skill not only that skills and experience but also give the leadership ability for future.

#### **Definition of Training**

According to Edwin B. Flippo, "Training is the act of increasing knowledge and skills of an employee for doing a particular job."

#### **Objectives of Training**

##### **The objectives of training as follows:**

- To increase the knowledge of workers in doing specific jobs
- To impart new skills among the workers systematically so that they learn quickly
- To bring about change in the attitudes of the workers towards fellow workers, Supervisor and the organization
- To improve the overall performance of the organization
- To make the workers handle materials, machines and equipment efficiently and thus to check wastage of time and resources.
- To reduce the number of accidents by providing safety training.

#### **Types of Training**

##### **Induction or Orientation training**

Induction training is concerned with introduction or orientation a new employee to the organization and its procedures, rules and regulations. When a new employee reports for work, he must be helped to get acquainted with the work environment and fellow employees.

**Job Training:** Job training relates to specific job which the worker has to handle. It gives information about machines, process of production, instructions to be followed, and methods to be used and so on. It develops skills and confidence among the workers and enables them to perform the job efficiently.

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**Apprenticeship training:** Apprenticeship training programme tends more towards education than merely on the vocational training. Under this, both knowledge and skills in doing a job or a series of related jobs are involved.

**Internship Training:** Under this method, the educational or vocational institute enters into arrangement with an industrial enterprise for providing practical knowledge to its students. Internship training is usually meant for such vocations where advanced theoretical knowledge is to be backed by practical experience on the job. For instance, engineering students are sent to big industrial enterprise for gaining practical work experience and medical students are sent to big hospitals to get practical knowledge. The period of such training varies from six months to two years.

**Refresher Training or Retraining:** Refresher training is meant for the old employees of the enterprise. The basic purpose of refresher training is to acquaint the existing workforce with the latest methods of performing their jobs and improve their efficiency further.

**Training for Promotion:** The talented employees may be given adequate training to make them eligible for promotion to higher jobs in the organization. Promotion of an employee means a significant change in his responsibilities and duties.

### Methods of Training

**Vestibule training:** The term vestibule training is used to designate training in a class-room for semi-skilled workers. It is more suitable where a large number of employees must be trained at the same time for the same kind of work. Where this method is used, there should be well qualified instructors in charge of training programmes. Here the emphasis tends to be on learning rather than production. It is frequently used to train clerks, machine operators, typists, etc.

**On the job training :** On the job training is considered to be the most effective method of training the operative personnel. Under this method, the worker is given training at the work place by his immediate supervisor. In other words, the worker learns in the actual work environment. It is based on the principle of "learning by doing". There are four methods of on the job training described below:

**Coaching :** Under this method, the supervisor imparts job knowledge and skills to this subordinate. The emphasis in coaching the subordinate is on learning by doing. This method is very effective if the superior has sufficient time to provide coaching to his subordinates.

**Understudy:** The superior gives training to a subordinate as his assistant. The subordinate learns through experience and observation. It prepares the subordinate to assume the responsibilities of the superior's job in case the superior leaves the organization. The purpose of understudy is to prepare someone to fill the vacancy caused by death, retirement, transfer or promotion of the superior.

**Position Rotation:** The purpose of position is to broaden the background of the trainee in various positions.

The trainee is periodically rotated from job to job instead of sticking to one job so that he acquires a general background of different jobs. However, rotation of an employee from one job to another should not be done frequently. He should be allowed to stay on a job for sufficient period so that he may acquire the full knowledge of the job.

**Job Rotation:** Job rotation is used by many firms to develop all-round workers. The employees learn new skills and gain experience in handling different kinds of jobs. They also come to know interrelationship between different jobs. It is also used to place workers on the right jobs and prepare them to handle other jobs in case of need.

**Off the job training:** It requires the workers to undergo training for a specific period away from the work place. Off-the-job methods are concerned with both knowledge and skills in doing certain jobs. The workers are free of tension of work when they are learning. There are Several off-the-job methods of training as described below:-

**Special lecture cum Discussion:** Training through special lectures is also known as “class-room training”. It is more associated with imparting knowledge than skills. The special lectures may be delivered by some executives of the organization or specialists from vocational and professional institutes. Many firms also follow the practice of inviting experts for special lectures for the staff on matters like health, safety, productivity, quality, etc.

**Conference Training:** A conference is a group meeting conducted According to an organized plan in which the members seek to develop knowledge and understanding by oral participation. It is an effective training device for persons in the positions of both conference member and conference leader. As a member, a person can learn from others by comparing his opinions with those of others. He learns to respect the viewpoints of others and also realizes that there is more than one workable approach to any problem.

**Case Study:** The case method is a means of stimulating experience in the classroom . Under this method, the trainee is given a problem or case which is more or less related to the concepts and principles already taught. They analyze the problem and suggest solutions which are discussed in the class. The instructor helps them reach a common solution to the problem. This method gives the trainee an opportunity to apply his knowledge to the solution of realistic problems.

**Benefits of Training:** Training helps the employees or workers in the following ways:

**Confidence:** Training creates a feeling of confidence in the minds of workers. It gives a feeling of safety and security to them at the work-place.

**New skills:** Training develops skills which serve as a valuable personal asset of a worker. It remains permanently with the worker himself.

**Promotion:** Training provides opportunity for quick promotion and self-development.

**Higher earnings:** Training helps in earning higher remuneration and other monetary benefits to the workers as their productivity is increased.

**Adaptability:** Training develops adaptability among workers. They don't worry when work procedures and methods are changed.

**Increased safety:** Trained workers handle the machines safely. They also know the use of various safety devices in the factory. Thus, they are less prone to accidents.

## Conclusion

Finally i conclude that training is most vital process to make employees more efficiently and effectively to do their work. It creates self confidence and potential to do their work. Training is more contribute in every organization not only a single country but also a global level process so they getting global level knowledge beyond their countries and its culture.

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## **RECENT GLOBAL TRENDS IN BANKING**

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### **Abstract**

*The banking sector is supported by the latest technology banks are working to identify new business niches, to develop customized services, to implement innovative strategies and to capture new market opportunities. With further globalization, consolidation, deregulation and diversification of the financial industry, the banking sector will become even more complex in developed markets. And **global banking development, emerging banks trends, next generation banks, policy environment for banking. Recent trends in global banks, global outlook in banking.** It is finally concluded the banking today is re-defined and re-engineered with the use of Information Technology and it is sure that the future of banking will offer more sophisticated services to the customers with the continuous product and process innovations. Thus, there is a paradigm shift from the seller's market to buyer's market in the industry and finally it affected at the bankers level to change their approach from "conventional banking to convenience banking" and "mass banking to class banking". Adoption of stringent prudential norms and higher capital standards, better risk management systems, adoption of internationally accepted accounting practices and increased.*

### **Introduction**

At the beginning of the 21st century, the biggest banks in the industrial world have become complex financial organizations that offer a wide variety of services to international markets and control billions of dollars in cash and assets. Supported by the latest technology, banks are working to identify new business niches, to develop customized services, to implement innovative strategies and to capture new market opportunities. With further globalization, consolidation, deregulation and diversification of the financial industry, the banking sector will become even more complex. In developed markets, factors contributing to this trajectory include deleveraging and stiffer regulatory regimes that will require higher bank-capital ratios.

### **Global banking developments**

The year 2012-16 was a difficult period for the global banking system, with challenges arising from the global financial system as well as the emerging fiscal and economic growth scenarios across countries. Global banks exhibited some improvements in capital adequacy but were beleaguered by weak credit growth, high leverage and poor asset quality. In contrast, in major emerging economies, credit growth remained at relatively high levels, which was regarded as a cause of concern given the increasing inflationary pressures and capital inflows in these economies. In the advanced economies, credit availability remained particularly constrained for small and medium enterprises and the usage of banking services also stood at a low, signaling financial exclusion of the population in the post-crisis period. On the positive side, both advanced and emerging economies, individually, and multi-laterally, moved forward towards effective systemic risk management involving initiatives for improving the macro-prudential regulatory framework and reforms related to systemically important financial institutions.

### **Emerging banking trends**

The banking sector is undergoing a period of major upheaval and restoring customer confidence, badly shaken during the financial crisis, has emerged as a key priority. More assertive customers are increasingly demanding higher quality of service and ease of use from their banks. In



addition, evolving regulatory reforms around capital and risk management also need to be addressed. The damage suffered during the financial crisis has turned improvement of operational efficiency into a strategic necessity. Addressing issues such as low efficiency of existing channels, ageing technology, high operating costs, and existence of complex processes has become an immediate priority for the industry. The importance of technology in enabling the banking sector to deal with changing customer demands, improve operational efficiency, and enhance regulatory compliance is increasingly recognized by banks across the globe. This is evident by the expected growth in IT spending by the banking sector which is predicted to grow at a healthy rate of 3.8% during 2013-15 to reach \$63.6 billion in 2016.

We see the following global technology trends which are expected to drive an increased investment in technology:

- Increased focus on next-generation remote banking solutions
- Drive towards core banking platform replacement
- Increased role of business intelligence and analytics in transaction monitoring
- Increased focus on enterprise payments hubs in payments processing

In addition, three regional trends are emerging:

- In Europe, more prevalent implementation of CRM to enhance channel capabilities
- In Asia and other emerging markets, enhancement of multi-channel technology capabilities.
- In the U.S., the rising importance of remote deposit capture

#### **Focus on Next-Generation Remote Banking Solutions**

- Increased customer comfort level in using internet-based services for carrying out financial transactions.
- The impact of new regulations on traditional sources of fee income for the financial services industry means banks are looking to recoup some of the lost income by charging for web-based value-added services.
- The internet is increasingly being seen as a tool for data collection and facilitating cross-selling of products and services.
- Increased competition is pushing banks to look at remote banking solutions as a means of differentiating themselves from their competitors through increased customer retention (defensive) and wallet share (offensive).
- The expense of person-to-person interaction has pushed banks to offer more services to customers through the online channel.

#### **Policy environment for banking**

Banking sector policy during 2013-15 remained consistent with the broader objectives of macroeconomic policy of sustaining economic growth and controlling inflation. The Reserve Bank introduced important policy measures of deregulation of savings bank deposit rate and introduction of Credit Default Swap (CDS) for corporate bonds. It initiated the policy discussions with regard to providing new bank licenses, designing the road-ahead for the presence of foreign banks and holding company structure for banks. The process of migration to the advanced approaches under the Basel II regulatory framework continued during 2013-15, while also facilitating the movement towards the Basel III framework Financial Inclusion continued to occupy centre stage in banking

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sector policy with the rolling out of Board-Approved Financial Inclusion Plans by banks during 2013-15 for a time horizon of next three years.

### **Recent trends in global banking**

#### **Electronic payment services – e cheques**

Now-a-days we are hearing about e-governance, e-mail, e-commerce, e-tail etc. In the same manner, a new technology is being developed in us for introduction of e-cheque, which will eventually replace the conventional paper cheque. India, as harbinger to the introduction of e-cheque, the negotiable instruments act has already been amended to include; truncated cheque and e-cheque instruments.

#### **Real time gross settlement (RTGS)**

Real time gross settlement system, introduced is a system through which electronics instructions can be given by banks to transfer funds from their account to the account of another bank. The RTGS system is maintained and operated by the RBI and provides a means of efficient and faster funds transfer among banks facilitating their financial operations. As the name suggests, funds transfer between banks takes place on a 'real time' basis. Therefore, money can reach the beneficiary instantaneously and the beneficiary's bank has the responsibility to credit the beneficiary's account within two hours.

#### **Electronic funds transfer (EFT)**

Electronic funds transfer (EFT) is a system whereby anyone who wants to make payment to another person/company etc. Can approach his bank and make cash payment or give instructions/authorization to transfer funds directly from his own account to the bank account of the receiver/beneficiary. Complete details such as the receiver's name, bank account number, account type (savings or current account), bank name, city, branch name etc. Should be furnished to the bank at the time of requesting for such transfers so that the amount reaches the beneficiaries' account correctly and faster. RBI is the service provider of EFT.

#### **Electronic clearing service (ECS)**

Electronic clearing service is a retail payment system that can be used to make bulk payments/receipts of a similar nature especially where each individual payment is of a repetitive nature and of relatively smaller amount.

#### **Automatic teller machine (ATM)**

Automatic teller machine is the most popular devise in which enables the customers to withdraw their money 24 hours a day 7 days a week. It is a devise that allows customer who has an ATM card to perform routine banking transactions without interacting with a human teller. In addition to cash withdrawal, ATMs can be used for payment of utility bills, funds transfer between accounts, deposit of cheques and cash into accounts, balance enquiry etc.

#### **Point of sale terminal**

Point of sale terminal is a computer terminal that is linked online to the computerized customer information files in a bank and magnetically encoded plastic transaction card that identifies the customer to the computer. During a transaction, the customer's account is debited and the retailer's account is credited by the computer for the amount of purchase.

**Tale banking**

Tele banking facilitates the customer to do entire non-cash related banking on telephone. Under this devise automatic voice recorder is used for simpler queries and transactions. For complicated queries and transactions, manned phone terminals are used.

**Electronic data interchange (EDI)**

Electronic data interchange is the electronic exchange of business documents like purchase order, invoices, shipping notices, receiving advices etc. In a standard, computer processed, universally accepted format between trading partners. Edi can also be used to transmit financial information and payments in electronic form.

**Challenges faced by banks**

The major challenges faced by banks today are as to how to cope with competitive forces and strengthen their balance sheet. Today, banks are groaning with burden of npa's. It is rightly felt that these contaminated debts, if not recovered, will eat into the very vitals of the banks. Another major anxiety before the banking industry is the high transaction cost of carrying nonperforming assets in their books. The resolution of the npa problem requires greater accountability on the part of the corporate, greater disclosure in the case of defaults, an efficient credit information sharing system and an appropriate legal framework pertaining to the banking system so that court procedures can be streamlined and actual recoveries made within an acceptable time frame. The banking industry cannot afford to sustain itself with such high levels of npa's thus, "lend, but lent for a purpose and with a purpose ought to be the slogan for salvation." As an extreme case of e-banking World Wide Banking (WWB) on the pattern of World Wide Web (WWW) can be visualized. That means all banks would be interlinked and individual bank identity, as far as the customer is concerned, does not exist. There is no need to have large number of physical bank branches, extension counters. There is no need of person-to-person physical interaction or dealings. Customers would be able to do all their banking operations sitting in their offices or homes and operating through internet. This would be the case of banking reaching the customers.

**Future global outlook**

Everyone today is convinced that the technology is going to hold the key to future of banking. The achievements in the banking today would not have make possible without IT revolution. Therefore, the key point is while changing to the current environment the banks has to understand properly the trigger for change and accordingly find out the suitable departure point for the change. Although, the adoption of technology in banks continues at a rapid pace, the concentration is perceptibly more in the metros and urban areas. The benefit of Information Technology is yet to percolate sufficiently to the common man living in his rural hamlet. More and more programs and software in regional languages could be introduced to attract more and more people from the rural segments also. Standards based messaging systems should be increasingly deployed in order to address cross platform transactions. The surplus manpower generated by the use of IT should be used for marketing new schemes and banks should form a 'brains trust' comprising domain experts and technology specialists.

**Implications :** The banks were quickly responded to the changes in the industry; especially the new generation banks. The continuance of the trend has re-defined and re-engineered the banking

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operations as whole with more customization through leveraging technology. As technology makes banking convenient, customers can access banking services and do banking transactions any time and from any ware. The importance of physical branches is going down.

### **Conclusion**

The banking today is re-defined and re-engineered with the use of Information Technology and it is sure that the future of banking will offer more sophisticated services to the customers with the continuous product and process innovations. Thus, there is a paradigm shift from the seller's market to buyer's market in the industry and finally it affected at the bankers level to change their approach from "conventional banking to convenience banking" and "mass banking to class banking". The shift has also increased the degree of accessibility of a common man to bank for his variety of needs and requirements. Adoption of stringent prudential norms and higher capital standards, better risk management systems, adoption of internationally accepted accounting practices and increased disclosures and transparency will ensure the Indian Banking industry keeps pace with other developed banking systems.

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## **RELATIONSHIP BETWEEN JOB SATISFACTION AND ORGANISATIONAL CITIZENSHIP BEHAVIOUR: A STUDY WITH SPECIAL REFERENCE TO MULTISPECIALITY HOSPITALS IN TANJAVUR**

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### **Abstract**

*This paper examines the impact of job satisfaction on organisational citizenship behaviour, on the basis of literature and hypothesized that employees with a job satisfaction would be most likely to exercise organisational citizenship behaviour. The study provided evidence to support a new conceptual framework in which employees' satisfaction was decomposed into employees' satisfaction with their organization, life satisfaction, satisfying nature of the job, expectancy to satisfy their own salient needs. The study also investigates the level of job satisfaction experienced by the employees and the influence of personal factors (age, gender and experience) on job satisfaction. Data were collected among 120 employees in multi- speciality hospitals. The result confirmed that the task and the relational satisfaction are predictive variables of organisational citizenship behaviour.*

**Keywords:** Job satisfaction, Work engagement, Organisational citizenship behaviour, Altruism, Civic virtue, Conscientiousness, Courtesy, Sportsmanship.

### **Introduction**

What constitutes a good employee in the modern workplace? Are 'good employee' traits always quantifiable in performance appraisals, or is there something more to consider? Job satisfaction has been identified as a major requirement for organisations which aim to achieve excellence in their operations. Armstrong (2003) refers to job satisfaction as the attributes and feelings people have about their work. By extension, job satisfaction will mean positive or favourable attitudes towards one's job whilst a negative or unfavourable attitude indicates job dissatisfaction. Baron et al. (2006) posit that only satisfied employees engage in discretionary or pre-social behaviours that is edifying to the effective functioning of the organisation. Job satisfaction therefore, plays an integral role in the achievement of OCB. OCB can thus be defined as a behaviour that is discretionary, not directly or explicitly recognised by the formal reward system, and that in aggregate promotes the effective functioning of an organisation (Farh et al., 2000). It involves employees going an extra mile in the conduct of their duties which is imperative to the achievement of organisational goals.

Organizational citizenship behaviour (OCB) is a concept that describes a person's voluntary commitment within an organization or company that is not part of his or her contractual tasks. Dennis Organ is generally considered the father of OCB. Organ (1988) defines OCB as "individual behaviour that is discretionary, not directly or explicitly recognized by the formal reward system, and that in the aggregate promotes the effective functioning of the organization". In the business world, organizational citizenship behavior has been linked to work productivity, employee effectiveness, and other factors which can impact a business in the short or long term. Common examples of business organizational citizenship behavior occur when employees are grouped together, which may occur on a regular basis or a part of a special or temporary assignment.

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### Multidimensionality

- **Altruism** is defined as the desire to help or otherwise assist another individual, while not expecting a reward in compensation for that assistance.
- **Courtesy** is defined as behaviour which is polite and considerate towards other people.
- **Sportsmanship** is defined as exhibiting no negative behavior when something does not go as planned--or when something is being perceived as annoying, difficult, frustrating or otherwise negative.
- **Conscientiousness** is defined as behavior that suggests a reasonable level of self-control and discipline, which extends beyond the minimum requirements expected in that situation.
- **Civic Virtue** is defined as behavior which exhibits how well a person represents an organization with which they are associated, and how well that person supports their organization outside of an official capacity.

### Measurements

This five-factor structure has served as the building block for a substantial amount of OCB research. Examples of items in Podsakoff et al.'s (1990) scale include:

- Obeys company rules and regulations even when no one is watching.
- Attends meetings that are not mandatory, but are considered important.
- Mindful of how his/her behavior affects other people's jobs.
- Willingly helps others who have work related problems.

Smith et al.'s (1983) scale include:

- Helps others who have been absent.
- Gives advance notice if unable to come to work.
- Assists supervisor with his or her work.
- Attend functions not required but that help company image.

### Statement of the Problem

For the last several decades organizational citizenship behavior (OCB) has become a major construct in the fields of the psychology and management and received a great deal of attention in the literature. There are almost 30 different forms of OCB. Organizational citizenship behavior represents individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and in the aggregate promotes the efficient and effective functioning of the organization. These behaviors lubricate the social machinery of the organization, provide the flexibility needed to work through many unforeseen contingencies, and help employees in an organization "cope with the otherwise awesome condition of interdependence on each other"

The study provided evidence to support a new conceptual framework in which employees' satisfaction was decomposed into employees' satisfaction with their organization, life satisfaction, satisfying nature of the job, expectancy to satisfy their own salient needs. The study also investigates the level of job satisfaction experienced by the employees and the influence of personal factors (age, gender and experience) on job satisfaction. It did not consider the aspect of labour welfare facilities offered in the organization and the influence of labour welfare amenities on job satisfaction.

## Review of the Previous Study

**Anderson (2001)** Job satisfaction represents a collection of feelings an individual holds towards his/her job, including all aspects of a particular job, good and bad, positive or negative, which are likely to contribute to the development of feelings of satisfaction or dissatisfaction.

**Armstrong (2003)** refers to job satisfaction as the attributes and feelings people have about their work. By extension, job satisfaction will mean positive or favourable attitudes towards one's job whilst a negative or unfavourable attitude indicates job dissatisfaction.

**Baron et al. (2006)** posit that only satisfied employees engage in discretionary or pre-social behaviours that is edifying to the effective functioning of the organisation. Job satisfaction therefore, plays an integral role in the achievement of OCB.

**Dirks and Ferrin (2000)** found the relationship between trust and the attitudinal outcomes (job satisfaction and organizational commitment) appears to be considerably stronger than the relationship between trust and the behavioural outcomes (job performance, organizational citizenship behaviors and turnover intention).

**Elanain (2007)** The assumption that agreeableness is a good indicator of organizational citizenship behavior is further strengthened clearly observed a significant positive correlation between agreeableness and organizational citizenship behavior. Present study is aimed to examine the assumed difference in organizational citizenship behavior between public and private sector employees. Organizational citizenship behavior is a key determinant of organizational culture in any organization.

**Farh et al., (2000)** OCB can thus be defined as a behaviour that is discretionary, not directly or explicitly recognised by the formal reward system, and that in aggregate promotes the effective functioning of an organisation. It involves employees going an extra mile in the conduct of their duties which is imperative to the achievement of organisational goals.

**Gadot and Cohen (2004)** the general assumption in explaining "the relationship that exist between job satisfaction and OCB is rooted in the belief that it is only highly satisfied employees that are likely to engage in OCB because of a reciprocal exchange relationship".

**Howstone and Stroebe (2001)** define job satisfaction as "an effective reaction to a job that results from the incumbent's comparison of actual outcomes with those that are desired". This is the extent to which rewards actually meet or exceed the perceived equitable level of rewards.

**Hulin and Judge (2003)**, who have noted that job satisfaction includes multidimensional psychological responses to an individual's job, and that these personal responses have cognitive (evaluative), affective (or emotional), and behavioural components.

**Locke (1976)** defines job satisfaction as a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences.

**Mart and William (2003)** stated that citizenship behaviors must be monitored and properly managed in order something is left here for such behaviors to have enhancing rather than deleterious effects on organizational and employee performance. Organ and Ryan (1995) of Indiana University is widely credited with introducing OCB in academic literature. In the last three decades, it has grown to become a prominent stream of research.

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**Organ (1988)** the definition of organizational citizenship behavior is individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and that in the aggregate, promotes the effective functioning of the organization.

**Podsakoff et al., (2000)** OCB provides a means of managing the interdependencies among members of a work unit, which increases the collective outcomes achieved; reduces the need for an organization to devote scarce resources to simple maintenance functions, which frees up resources for productivity; and improves the ability of others to perform their jobs by freeing up time for more efficient planning, scheduling, problem solving, and so on."

**Remus Ilies et al. (2006)** found that at the individual level, experience-sampled positive affect and job satisfaction predicted experience-sampled reports of organizational citizenship behaviors over time.

### Hypothesis

The hypotheses used in this study are,

**Null hypothesis (H<sub>0</sub>):** There is no significant relationship between the dependent and independent variable.

**Alternative hypothesis (H<sub>1</sub>):** There is a significant relationship between the dependent and independent variable.

**1. Null hypothesis (H<sub>0</sub>):** There is no significant relationship between gender and Employees working in night shift.

**Alternative hypothesis (H<sub>1</sub>):** There is a significant relationship between gender and Employees working in night shift.

**2. Null hypothesis (H<sub>0</sub>):** There is no significant relationship between experience and satisfaction in job.

**Alternative hypothesis (H<sub>1</sub>):** There is a significant relationship between experience and satisfaction in job.

**Contingency Table Between Gender and Employees Working in night shift**

Employees working in tight shift	SA	A	NAND	D	SD	Total
Gender						
Male	3	30	24	1	0	58
Female	1	25	33	3	0	62
Total	4	55	57	4	0	120

### Degree of freedom

$$= (r - 1) (c - 1)$$

$$= (2 - 1) (5 - 1)$$

$$= 1 * 4 = 4$$

X<sup>2</sup> Table value for 5% at 4 d.f=9.488.

$$\Psi^2 = 9.488$$

Calculated value of ( $\Psi^2$ ) < Table value of ( $\Psi^2$ )

i.e. 3.69 < 9.488

Hence, **Accept H<sub>0</sub>**

Statistical Inference : There is no association between Gender and Employees working in night shift.



Contingency table between age and training for enriching the skills of employees

Training for Enriching the skills	SA	A	NAND	D	SD	Total
Age						
18-20	0	0	0	0	0	-
21-25	5	54	38	1	0	98
26-30	2	5	5	1	0	13
31-35	2	3	1	1	0	7
Above 36	0	2	0	0	0	2
<b>Total</b>	<b>9</b>	<b>64</b>	<b>44</b>	<b>3</b>	<b>-</b>	<b>120</b>

**Degree of freedom**

$$= (r - 1) (c - 1)$$

$$= (5 - 1) (5 - 1)$$

$$= 4 \times 4 = 16$$

$\chi^2$  Table value for 5% at 4 d.f = 26.296

$\chi^2$  Calculated value of  $(\chi^2) < \text{Table value of } (\chi^2)$

i.e.  $15.83 < 26.296$

Hence, **Accept  $H_0$**

Statistical Inference : There is no association between experience and satisfaction in job.

The pearson product moment correlation matrix of job satisfaction and OCB.

	1	2	3	4	5	6	7	8
<b>Extrinsic job Satisfaction</b>	10.30	7.29	0.15	0.58*	0.06**	0.68**	0.22**	0.44**
<b>Intrinsic job Satisfaction</b>	0.58	0.19	0.89*	0.22*	0.09	0.17*	0.15*	0.29*
<b>Overall job Satisfaction</b>	0.89	0.03	0.33	0.07**	0.28	0.17*	0.05	0.43**
<b>Altruism</b>	3.82	0.68	0.05	0.17*	0.14**	0.19**	0.34**	0.29
<b>Civic virtue</b>	3.85	0.84	0.07	0.12*	0.09	0.38**	0.26**	0.43**
<b>Conscientiousness</b>	3.89	0.36*	0.67	0.91	0.28**	0.31**	0.34**	0.49**
<b>Courtesy</b>	3.90	0.88	0.11	0.19*	0.20**	0.22**	0.58**	0.54**
<b>Sportsmanship</b>	4.28	0.92	0.05	0.08	0.17**	0.40**	0.55**	0.47**

\*Correlation is significant at 0.05 \*\* Correlation is significant at 0.01

## Findings

It is clear that there is no partiality among the employees working in the night shift with respect to gender. From chi-square test,  $H_0$  is accepted. It is observed that there is no variation among the employees experience and satisfaction in their job. From chi-square test,  $H_0$  is accepted.

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The present study could be attributed to low extrinsic levels of job satisfaction which also correlates with only one dimension of OCB, that is, sportsmanship at  $r = 0.17$ ,  $p < 0.05$ )

### Suggestions

- The study hypothesized that employees with job satisfaction would be mostly likely to engage in OCB.
- Self ratings of job satisfaction have positive impact on supervisor- rating of OCB.
- The organization should offer more facilities to improve the personal growth level of the employees.
- The company should provide still better training and motivate the employees to maintain the satisfaction level of the employees.
- To provide proper reward to the employees for their effort.
- The management should consider their employees comments and suggestions.
- The company should assign leaders for the teams and ask them to create co-operation.
- The courtesy and sportsmanship have the major character played a vital role among the employees and it should be increase in future also.

### Conclusion

Citizenship behaviours come in many distinct shapes and forms. Traditionally thought of as the worker who 'goes above and beyond' the minimum requirements, it can also be the employee who takes the initiative and always offers to lend a hand; the knowledgeable, helpful and cooperative colleague; the senior staff member who is able to roll with the punches; or the friendly, approachable manager who shows the new employees around the office and introduces them to other staff. All of these types of OCB should be actively encouraged employees support the organisation through enhancing each other's performance and wellbeing, and this is reflected in job satisfaction and increased profitability at the organisational level. In summary, we believe this research makes a significant contribution to our understanding of the relationship between job satisfaction and organizational citizenship behavior, a relationship that has long been known but the nature of which has, nevertheless, not been well defined. It is our hope that this research will encourage others to further examine the team commitment construct and its impact on the overall domain of commitment in work organizations.

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## **RESOURCE ALLOCATION IN SOFTWARE PROJECT MANAGEMENT**

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### **Abstract**

*Every day we meet new challenges that interfere in the workflow of different projects. Resources are scarce, therefore we need to carefully allocate them in order to obtain the desired results. The best way to deal with change in modern organizations involves project management. Therefore the question is which tools are best used to support structure, automation and efficiency of complex business processes. This paper is intended to study a real life business process that can deliver different results accordingly to its allocation of resources. Creating different outputs for a certain system, hopefully, the best solution would be found and implemented in order to increase operational productivity. Furthermore, based on the studied results, a complete analysis can be provided so that future mistakes can be avoided, and certain allocations to be classified as not feasible. Anyway, the project activities are subject to considerable uncertainty which can lead to schedule disruptions.*

**Key words:** *project management, business process, resource allocation, scheduling, levelling.*

### **Introduction**

A project is a major one-time undertaking dedicated to some well-defined objectives and involving considerable personnel and equipment. It is usually initiated either by some need of the organization or by a customer request. The time and the resource estimations provide the duration and resource requirements for each activity as well as temporal constraints between activities that are connected by precedence relationships. The main purpose of this paper is to apply a known methodology on a real business project in order to evaluate its outcome based on the resources used. Resource allocation is the assignment of available resources to various uses. In the context of an entire economy, resources can be allocated by various means, such as markets or central planning. In Software project management, resource allocation or resource management is the scheduling of activities and the resources required by those activities while taking into consideration both the resource availability and the project time.

### **Multidimensionality of Resource Allocation**

#### **Economics**

In economics, the area of public finance deals with three broad areas: macroeconomic stabilization, the distribution of income and wealth, and the allocation of resources. Much of the study of the allocation of resources is devoted to finding the conditions under which particular mechanisms of resource allocation lead to Pareto efficient outcomes, in which no party's situation can be improved without hurting that of another party.

#### **Strategic planning**

In strategic planning, resource allocation is a plan for using available resources, for example human resources, especially in the near term, to achieve goals for the future. It is the process of allocating scarce resources among the various projects or business units. There are a number of approaches to solving resource allocation problems e.g. resources can be allocated using a manual

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approach, an algorithmic approach (see below), or a combination of both. There may be contingency mechanisms such as a priority ranking of items excluded from the plan, showing which items to fund if more resources should become available and a priority ranking of some items included in the plan, showing which items should be sacrificed if total funding must be reduced.

### **Algorithms**

Resource allocation may be decided by using computer programs applied to a specific domain to automatically and dynamically distribute resources to applicants. This is especially common in electronic devices dedicated to routing and communication. For example, channel allocation in wireless communication may be decided by a base transceiver station using an appropriate algorithm. One class of resource whereby applicants bid for the best resource(s) according to their balance of "money", as in an online auction business model (see also auction theory). A study by Emmanuel Yartebai Annanshows that this is highly important in the resource allocation sector.

### **Types of Resource Allocation**

We can begin by defining resource allocation. In a broad sense, it can be defined as how things can be distributed. This may include credit, blame, responsibility, money, time, and the like. In the science and engineering this translates to: money, consumables, time, space, and services. Naturally there needs to be a "fair" way to distribute these resources. This section outlines way to distribute these resources.

#### **Allocation by Merit**

This can be seen as a rewards system of sorts. This view suggests that rewards should be distributed according to productivity, effort, or demonstrated ability.

- In the work place, this can be seen as salary increases, promotions, and even layoffs.
- In the college environment, this can be seen as the distribution of grades. As not everyone can receive an A for classes, the grades need to be distributed reflecting a students understanding of the subject.

In aspects where a necessity is involved, such as food, shelter, and water, this system breaks down. In impoverished countries, for example, few would argue for denying children food because they are not as productive as adults.

#### **Allocation by Social Worth**

Allocation by social worth tends to take a practical view toward resources, directing them toward those who appear most likely to contribute to the common good. This view suggests that resources should move in directions that ultimately do the greatest good for the largest number of people. Criteria for social worth can include age, seniority, rank, and expertise.

- In the work place, this can be seen as layoffs. Generally speaking, a senior worker will not be fired over a new worker.
- In the college environment, this can be seen as the distribution of money to labs. Labs for graduate students and upperclassmen tend to be better than freshman labs.
- Allocation by social worth breaks down when the criteria for worth ignores basic human rights. For example, wealth is sometimes used to measure social worth, especially in countries with market economies. This attitude can cause food, energy, education, medical attention, and social influence to "flow uphill," thereby making severe imbalances in essential resources even worse.

**Allocation by Need**

Allocation by need tends to view resources in terms of basic human rights. This view suggests that every person has the same right to some minimal level of a given resource. Obvious examples include food, shelter, and clothes.

- In the work place, this can be seen when a company diverts funds to a division in that company who's equipment is outdated.
- In the college environment, this can be seen as scholarships given to students who otherwise would not be able to attend college.
- Allocation by need breaks down when this criterion is applied so strictly that it removes the incentive to produce. It's usually true that people work hardest when they believe they will enjoy the fruits of their labors. This is also the same reason why socialism doesn't work.

**Allocation by Equal or Random Assignment**

Allocation by equal or random assignment takes the view that no rational, unbiased way can be found to distribute resources. This is the default allocation method when no other allocation method works. The most obvious example of this is a lottery. When there is no obvious way to distribute resources, a simple lottery can prove to be the "fairest" way. Allocation by random assignment breaks down when each portion of a resource is simply too small to do any good. For example, dividing antibiotics into small doses during an epidemic could make each dose so small that no one benefits.

**Software Project Management Methodology**

According to Jason Charvat<sup>1</sup> a methodology is a set of guidelines or principles that can be tailored to a specific situation. In a project environment, these guidelines might be a list of things to do. A methodology could also be a specific approach, templates, forms and even checklists used over the project life cycle. Some companies use methodologies that cover all aspects of the business, from pre-sales activities to operational support. Other companies use methodologies only during design and development. There is no universal methodology available; everybody uses its own methodology. Even similar methodologies get adapted to the specifics of the company, i.e. many project managers have realized that "methodologies from the book" must be modified and tailored to suit their own project needs. A company that uses certain methodology should make it transparent to the customers as much as possible. Furthermore, some companies offer their customers to choose from a set of methodologies the one that will be used for the project realization. This makes it possible for the customer to track the progress and to know exactly what intermediate results and deliverables should be available at certain points in time.

Finally, a methodology must not be too complex or inappropriate in any way to be seen as a burden for the people who use it. It must be light, understandable and goal oriented, it must be seen as a tool for achieving success. It should make the life easier. In software development, the methodology has to have some milestones defined. Milestones are interim objectives, points of arrival in terms of time for purposes of progress management. In other words, milestones are used to define necessary deliverables at appropriate points in time. Mostly, when milestones are met certain phases are finished. Nevertheless, milestones can be defined within the phases if necessary.

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### Resource Scheduling

- Activity schedule - indicating start and completion dates for each activity
- Resource schedule - indicating dates when resources needed + level of resources
- Cost schedule showing accumulative expenditure
- These include
  - labour
  - equipment (e.g. workstations)
  - materials
  - space
  - services
- Time: elapsed time can often be reduced by adding more staff
- Money: used to buy the other resources

### Resource Leveling

- Resource leveling aims to minimize the period-by-period variations in resource loading *by shifting tasks within their slack allowances*
- The purpose is to create a smoother distribution of resource usage
- Several advantages include:
  - Less day-to-day resource manipulation needed
  - Better morale, fewer HR problems/costs
  - Leveling resources also levels costs, simplifies budgeting and funding
- When resources are leveled, the associated costs also tend to be leveled
- The project manager must be aware of the cash flows associated with the project and of the means of shifting them in ways that are useful to the parent firm
- Resource leveling is a procedure that can be used for almost all projects, whether or not resources are constrained.

### Resource allocation problems

- Most scheduling procedures do not address the issues of resource utilization and availability
- Scheduling procedures tend to focus on time rather than physical resources
- Time itself is always a critical resource in project management
  - It is unique because it can neither be inventoried nor renewed
- Schedules should be evaluated:
  - in terms of meeting project milestones
  - in terms of the timing and use of scarce resources
- Measure of the project manager's success: skill with which the trade-offs among:
  - Performance
  - Time
  - Cost
- The extreme points of the relationship between time use and resource use are these:
  - **Time Limited:** The project must be finished by a certain time, using as few resources as possible. But it is time, not resource usage, that is critical
  - **Resource Limited:** The project must be finished as soon as possible, but without exceeding some specific level of resource usage or some general resource constraint
- If all three variables - time, cost, specifications - are fixed, the system is "over determined"

- In this case, the project manager has lost all flexibility to perform the trade-offs necessary to successful completion of projects
- A system-constrained task requires a fixed amount of time and known quantities of resources

### Conclusions

The appearance and development of the project management has occurred as a consequence of the need to adapt the theory and practice of management to the projects specific. In practice, the application of the tools and techniques of project management is facilitated by the use of specialized software for project management. The things presented and explained here give a rough overview of what is a project management in a software development area and what it consists of. The goal was to present at least most important aspects, terminology and procedures at both theoretical and practical level. Every organization has some specifics that can more or less influence how the projects are managed. Furthermore, within a single organization there are rarely two so similar projects that no significant differences exist in the way the projects are managed. This paper has proposed a model of resource allocation inspired by a real business process. The resources have been allocated in parallel and this has offered the project a robustness and ease in the leveling process. Given the complexity of the project, the use of project management software was very useful in order to illustrate better the theory through practice. Therefore a project manager can better evaluate the loading of each resource and to move activities at different dates so there is an even load of the resources during the project phases. The most interesting part is that this analysis helped me to have a good overview of a past project and to apply the new abilities in future projects.

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## **RECENT TRENDS IN INTERNATIONAL BUSINESS ENVIRONMENT**

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### **Introduction**

International business is an enormously relevant facet of the modern economy, and will only become more integrated into core business strategy as technology continues to progress. International business is simply the summation of all commercial transactions that take place between various countries (crossing political boundaries). This is not exclusively limited to the domain of business, as NGOs, governments, and coops also operate across country borders with a variety of objectives (aside from simple profitability). From a business perspective, the primary incumbent in an international business environment is the multinational enterprise (MNE), which is a company that pursues strategic success in global production and sales (i.e. operating within a number of country borders). The number of examples of this type of firm is constantly growing. From fast food chains like McDonald's to auto manufacturers like Honda to smartphone designers like Samsung, the number of international players in most markets is constantly on the rise.

### **Why Expand Globally?**

Global expansion is costly and complex. To offset these costs and risks, organizations must have strong reasons for developing a global strategy. These reasons generally fit one (or more) of the following three strategic areas: Global Concentration – Depending upon the competitive concentration of a given industry in a given region, it may make sense to enter a market where competition is relatively scarce (and demand is high). Global Synergies – Some organizations have highly developed competencies that are easily scaled. In these situations, global expansion means natural synergy. Global Strategic Motivations – Other reasons for expansion to a given country may exist strategically, such as developing new sourcing sites for production or acquiring strategic assets in a given region.

### **External Factors Impacting Expansion**

International expansion can be a costly and complex procedure. Before considering such a significant strategic move, management must weigh the external factors that will impact success during a global transition. These include: Socio-cultural: The social environment of a given region can have a significant impact on success. Food companies are highly impacted by this – certain cultures prefer certain types of foods. Geographic/Environmental – For example, skiing equipment may not do so well in regions without snow or mountains. Oil companies can only source oil from resource-rich regions. Legal/Political – Some countries have high barriers to entry, complex tax rates, and/or unclear legislative practices. Ease of doing business is critical here.

Economic – The standard of living is different from region to region, and recognizing the value of a given market in terms of spending power, currency, and market size is critical to deciding upon expansion. Technology – Access to internet, electricity, clean water and a variety of other



technological dependencies must be considered prior to entry if the organizational operations rely on easy access.

### **Modes of International Entry**

**1 Direct and Indirect Exporting and Importing International trade**, involving exporting and importing, is the oldest form of international business activity and is still of huge importance today. For many businesses, it represents the most straightforward way to benefit from international markets and resources, though it carries significant risks, especially if a firm is dependent on a small number of international customers or suppliers or on markets or supplies in high-risk countries. MNEs frequently trade either with businesses within their own group (intra-company trade) or with external customers and suppliers.

**2 Foreign Direct Investment** The IMF Balance of Payments Manual defines foreign direct investment (FDI) as 'the objective of a resident entity in one economy obtaining a lasting interest in an enterprise resident in another economy'. FDI normally involves some degree of equity ownership on the part of the foreign investor and the IMF and UN regard a 10 per cent equity stake as the minimum requirement, though there is no universally agreed ownership requirement. More important is that FDI requires some degree of management control; this distinguishes direct investment from portfolio investment – the latter involving the purchase of shares or other financial assets but not control.

**3 Licensing and Franchising** Licensing and franchising are contractual arrangements whereby a licensor or franchiser allows a licensee or franchisee to use its intellectual property in return for a fee or royalty and, in some cases, an initial payment. The two parties are independent businesses but have engaged in a contract for a specified period of time. In international business, the licensor or franchiser is using this type of arrangement as a quick and relatively low-risk international expansion strategy, using the country-specific knowledge of the licensee or franchisee to establish and run its business in an unfamiliar environment. This is probably the reason why IKEA uses franchising in countries where it has no existing stores. The main risk, however, is to the reputation of the licensor or franchiser. Licensing is common in manufacturing and 12 processing industries where the licensee is allowed to use a patent, trade mark, technical know-how, and other intellectual property under the terms of the licence.

**4 Joint-ventures, Strategic Alliances, and Other Collaborative Strategies** MNEs have increasingly become involved in collaborative strategies with foreign partners in recent years. As well as licensing and franchising arrangements which are discussed above, these may include joint-ventures, strategic alliances, agency agreements, subcontracting, and project management contracts, among others. Joint-ventures and strategic alliances have become particularly important international entry strategies and are now considered separately. Joint-venture – An agreement between two or more companies involving joint equity ownership and control is described as a joint-venture or joint-venture agreement. Because a degree of control is involved, it may also be classed as a form of FDI.

**Theories of internationalization** Conventional Theories of Trade and Investment The theory of comparative advantage, developed by David Ricardo in the early nineteenth century, still provides a fundamental explanation for international trade and investment. The basic idea is that if

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each country specializes in producing goods in whose production it has a comparative advantage (can use its resources more productively than in the production of other goods), then trades with other countries with different comparative advantages, the world as a whole will be better off as the total output of goods produced from a given set of resources will have increased. Although this theory principally applies to countries rather than firms, it is firms that are actually engaged in production and trade, taking advantage of the comparative advantages of the countries in which they are based. It may also be argued that multinational enterprises will be attracted by a country's comparative advantages when investing abroad, so the theory can be used as a basic explanation for FDI as well as international trade.

**Internationalization in Imperfect Markets** The theory of comparative advantage was constructed with a world of perfect competition in mind. While this does not necessarily invalidate its general predictions, it leaves room for a number of possible alternative explanations of the behaviour of MNEs in practice. In a world of imperfect competition, with differentiated products, barriers to entry into international markets, and firms with varying degrees of market power, MNEs are likely to exploit their differentiated products, find ways of overcoming market entry barriers, and take advantage of their strategic position. For example, in the consumer goods and motor industries, MNEs in developed countries are able to achieve economies of scale by selling their differentiated products to consumers in other developed countries where similar but differentiated products are produced – a practice known as intra-industry trade. Intra-industry trade theory uses ideas from industrial organization theory, especially the analysis of oligopoly where markets are dominated by a few large firms, to help explain the behaviour of MNEs in international markets.

**Vernon's Product Cycle Hypothesis** Raymond Vernon's product cycle hypothesis offers a possible explanation for the production cycle of a product. His work was based on empirical studies of US industries in the 1960s and its relevance relates mainly to product innovation in developed countries. The product cycle consists of four main stages: (1) a new product is developed for high-income domestic consumers with inelastic demand and production is based in the innovating country; (2) as the product becomes more successful and a dominant design is accepted, it is exported to other high-income countries to take advantage of economies of scale; (3) competitors in developed countries produce similar products as the technology becomes more widely available; (4) the product becomes more standardized and production is transferred to low-cost locations as price competition increases.

**Learning Models of Internationalization** Some of the literature on internationalization focuses on the way in which MNEs learn by experience, proceeding cautiously at first to countries that are perceived to be similar or involving less risk, then becoming more adventurous as their international experience grows. Whilst in some cases an MNE may begin by venturing into neighbouring countries that are Domestic Production and Sales Exports to High-Income Countries Foreign Competition Production Transferred Abroad Introduction Growth Maturity Decline Marketing Product Life Cycle Time Sales Revenue Vernon's Product cycle 17 geographically close, most researchers concentrate on the importance of psychic distance rather than physical distance. Psychic distance relates to a firm's perception of cultural and other business differences between its home country and other countries.

**Resource-Based Theories of Internationalization** In a world of imperfect competition, firms gain competitive advantage in the international environment by exploiting their firm-specific assets and capabilities. The idea that an MNE's decision to locate abroad and choice of entry mode is determined by its ability to take advantage of its firm-specific assets is derived from the resource-based view of the firm. Firms acquire generic resources when they take on labour or purchase technology, but over time these resources become more specialized, giving a firm distinctive capabilities. Many of these firm-specific assets are intangible, including knowledge and skills, intellectual property, databases, customized computer programmes, and relationships with other organizations. A recent study of internationalization by US-based internet firms suggests that country-specific websites may help to promote international expansion, though their success depends on factors such as a firm's reputation, the volume of website traffic, and the type of competitive or cooperative strategies employed.

**Transaction Cost Explanations of Internationalization** Whenever a firm undertakes a transaction with a customer or supplier, it incurs transaction costs in addition to the price paid for goods or services. These include the legal costs of drawing up a contract, the costs of going out to tender or searching for information on potential suppliers, or the cost of currency exchange or hedging, for example. In the 1930s Ronald Coase realized the significance of transaction costs for the very existence of firms, arguing that firms exist because they help to eliminate the costs of continually engaging in external contracting. Firms are often described in the literature as hierarchies, consisting of structures with different levels of decision making, to distinguish them from the more transitory arrangements involved in market contracting.

**Dunning's Eclectic Paradigm** John Dunning, a leading international business scholar, has provided an eclectic view of the factors affecting the internationalization decision, with particular reference to FDI, by combining some of the above ideas into a single theory. Dunning's eclectic paradigm, or the OLI paradigm as it also known, focuses on the ownership (O), location (L), and internalization (I) advantages of FDI as opposed to exporting. These advantages may be summarized as follows: Ownership advantages: firm-specific assets such as knowledge and skills, technology, intellectual property, management or marketing competences, and internal and external relationships (mainly intangible) Location advantages: a good geographical location with respect to production costs, market access, psychic (including cultural) distance, and the general political and economic environment Internalization advantages: reduced transaction costs and the ability to protect management know-how and intellectual property According to Dunning's eclectic theory, FDI decisions can be explained by considering all of the above factors, rather than focusing on one particular factor.

## 2. 1) Forced Dynamism:

International trade is forced to succumb to trends that shape the global political, cultural, and economic environment. International trade is a complex topic, because the environment it operates in is constantly changing. First, businesses are constantly pushing the frontiers of economic growth, technology, culture, and politics which also change the surrounding global society and global economic context. Secondly, factors external to international trade (e.g., developments in science and information technology) are constantly forcing international trade to change how they operate.

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### **3. 2) Cooperation among Countries:**

Countries cooperate with each other in thousands of ways through international organisations, treaties, and consultations. Such cooperation generally encourages the globalization of business by eliminating restrictions on it and by outlining frameworks that reduce uncertainties about what companies will and will not be allowed to do. Countries cooperate:

- i) To gain reciprocal advantages,
- ii) To attack problems they cannot solve alone, and
- iii) To deal with concerns that lie outside anyone's territory.

Agreements on a variety of commercially related activities, such as transportation and trade, allow nations to gain reciprocal advantages. For example, groups of countries have agreed to allow foreign airlines to land in and fly over their territories, such as Canada's and Russia's agreements commencing in 2001 to allow polar over flights that will save five hours between New York and Hong Kong. Groups of countries have also agreed to protect the property of foreign-owned companies and to permit foreign-made goods and services to enter their territories with fewer restrictions. In addition, countries cooperate on problems they cannot solve alone, such as by coordinating national economic programs (including interest rates) so that global economic conditions are minimally disrupted, and by restricting imports of certain products to protect endangered species. Finally, countries set agreements on how to commercially exploit areas outside any of their territories. These include outer space (such as on the transmission of television programs), non-coastal areas of oceans and seas (such as on exploitation of minerals), and Antarctica (for example, limits on fishing within its coastal waters).

### **4. 3) Liberalization of Cross-border Movements:**

Every country restricts the movement across its borders of goods and services as well as of the resources, such as workers and capital, to produce them. Such restrictions make international trade cumbersome; further, because the restrictions may change at any time, the ability to sustain international trade is always uncertain. However, governments today impose fewer restrictions on cross-border movements than they did a decade or two ago, allowing companies to better take advantage of international opportunities. Governments have decreased restrictions because they believe that: i) So-called open economies (having very few international restrictions) will give consumers better access to a greater variety of goods and services at lower prices, ii) Producers will become more efficient by competing against foreign companies, and (iii) If they reduce their own restrictions, other countries will do the same.

### **5. 4) Transfer of Technology:**

Technology transfer is the process by which commercial technology is disseminated. This will take the form of a technology transfer transaction, which may or may not be a legally binding contract, but which will involve the communication, by the transferor, of the relevant knowledge to the recipient. It also includes non-commercial technology transfers, such as those found in international cooperation agreements between developed and developing states. Such agreements may relate to infrastructure or agricultural development, or to international cooperation in the fields of research, education, employment or transport.

**6. 5) Growth in Emerging Markets:**

The growth of emerging markets (e.g., India, China, Brazil, and other parts of Asia and South America especially) has impacted international trade in every way. The emerging markets have simultaneously increased the potential size and worth of current major international trade while also facilitating the emergence of a whole new generation of innovative companies. According to “A special report on innovation in emerging markets” by The Economist magazine, “The emerging world, long a source of cheap la, now rivals the rich countries for business innovation”.

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## **RECENT GLOBAL TRENDS IN TRADE MANAGEMENT**

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### **Abstract**

*World trade in 2009 was dominated by the worst financial and economic crisis in decades. Global output shrank. So did the volume of international trade. Despite bearing no responsibility for the crisis, the poorer developing countries have fared the worst. China, Brazil and India saw exports drop by between a fifth and a third in the second half of 2008, but countries not belonging to the top 20 developing country exporters were hit even harder. Trade and GDP growth have started to pick up again, but some economists fear a “double-dip” recession. The G-20 major economies have called for concluding the Doha Round in 2010, but it remains to be seen whether this pledge will amount to anything. The number of bilateral trade deals continues to grow, with Switzerland an enthusiastic participant. With the US and the EU threatening to impose tariffs on exports from emerging economies with no hard emissions caps, it is clear that governments need to find some way of discussing the new challenges confronting the global economy.*

**Keywords :** *Agriculture, exports, trade, agricultural policy, international cooperation, climate change, Doha Round, food security, free trade agreement (FTA), intellectual property rights, livelihood security, subsidies, tariffs, financial crisis, European Free Trade Association (EFTA) World Trade Organization (WTO).*

### **Introduction**

We set out to review recent trends in world trade flows and international arrangements governing economic integration and their potential implications for developing countries. In chapter 2, after a short review of the impact of the 2008 economic downturn on the trade performances of emerging economies and least developed countries, we assess the extent to which governments' responses to the crisis have resulted in a protectionist backlash. The analysis concentrates on the case of FTAs between members of the European Free Trade Association (EFTA) and selected developing countries, not least because some of them contain innovative anti-biopiracy provisions, which could create relevant precedents in international negotiations on the relationship between intellectual property and biodiversity.

### **1. The Global Context**

The context for global trade in 2009 was dominated by the world's most severe financial and economic crisis since the 1930s. Global economic output shrank for the first time since the Second World War. Growth in the developing world as a whole remained positive but was far below the levels seen in recent years. Between plummeting demand and the drying up of trade finance as a result of the financial crisis, global trade volumes shrank after decades of steady growth. “Trade”, as WTO Director-General Pascal Lamy said, “has become another casualty of the global economic crisis” (Lamy 2009). World merchandise trade was set to contract by 10% in 2009, according to WTO projections. This has occurred despite a recovery from June onwards, which serves to underline the depth of the collapse. Services trade took less of a battering, but this sector accounts for a minority of commercial activity. Sadly, it is the less successful developing country exporters, the very countries that were largely left out of the export boom of the past three decades, that fared the worst. London's Centre for Economic Policy Research demonstrates that although China, India and Brazil saw exports decline by between 19% and 33% in the second half of 2008, countries not belonging to the top 20 developing country exporters (for those where data are available) saw

exports fall by even more (Hufbauer and Stephenson 2009). Ecuador and Zambia, for instance, saw exports drop by over 50%. In volume terms too, including for manufactures, these generally poorer countries are doing worse than the 20 most successful developing country exporters. And people in those countries are likely to be particularly vulnerable to still-high food prices and declining remittances from abroad. At the time of writing in October 2009 there was an increasing sense that a catastrophic collapse of the global financial system had been averted, although some experts remain wary of a “double-dip” recession. In its World Economic Outlook, released in October 2009, the International Monetary Fund (IMF) revised its growth estimates for 2010 upwards from April 2009. Rich country output should increase by 1.7% for advanced countries in 2010, according to the IMF. The figure for emerging market and developing countries was 5.5%, for a global average of 3.2%. However, the IMF warned that much of this growth was the result of government spending and emphasised risks arising from high government debt (IMF 2009).

## 2. Recent Development In WHO Negotiations

By WTO Director-General Pascal Lamy’s reckoning, they made it “80-85% of the way” to “modalities” deals with formulae and figures for future subsidy and tariff ceilings during the nine days of gruelling discussions, the longest such meeting in the WTO’s history (ICTSD 2008a). Differences on the ease with which developing countries should be allowed to raise tariffs beyond current legal limits to protect farmers from import surges under a “special safeguard mechanism” proved “irreconcilable”, Lamy conceded. The 20th issue, cotton, was never discussed, to the irritation of African countries especially, some of which have seen already-meagre earnings severely hit by the effects of US cotton subsidies in particular (ICTSD 2008b).

While some members envisaged the possibility of an “early harvest” (if it can be called early after over seven years of negotiations), under which agreements would be reached and implemented on individual issues potentially including trade facilitation, duty-free and quota-free access for LDC exports, cotton subsidy and tariff cuts, and banana trade, nothing concrete has emerged yet from this process.

## 3. Bilateral Free Trade Agreements With Developing Countries



Together with Iceland, Norway and Liechtenstein, its partners in EFTA, Switzerland is currently negotiating trade agreements with Algeria, the Gulf Cooperation Council (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates) and India. Similar talks with Thailand started but are currently on hold. Agreements have already entered into force with Chile, Egypt, Korea, Israel, Tunisia, Morocco and the Southern African Customs Union (SACU). EFTA has also explored negotiations with Albania, Indonesia and Malaysia.

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Negotiations with Peru have been concluded, but the text is currently undergoing legal review before it can be formally signed, paving the way for ratification. A similar agreement with Colombia was signed in late 2008. The Swiss parliament approved it in May 2009, followed by the senate in September. It has also complained that the FTAs go well beyond WTO demands on issues such as tariff liberalisation and protection for intellectual property and foreign investment and could weaken developing country solidarity in WTO negotiations (Alliance Sud and Déclaration de Berne 2008). Global exports have

nearly tripled to \$52.3 trillion in 2016, according to the white paper 'The Changing World of Trade' by Cushman & Wakefield.

### 4. Effect On Global Trade Management And Supply Chain Dynamics

Global exports have nearly tripled to \$18.3 trillion in 2012, according to the white paper 'The Changing World of Trade' by Cushman & Wakefield.<sup>1</sup> Even in 2010 and 2011, as economies faced challenges in recovering from the recession, global exports grew by over 20% per year. The white paper goes on to predict that global exports will reach \$45 trillion by 2021, due to a release of 'significant pent-up demand' experienced during the recent period of economic volatility.

This surge in global trade is being driven by unprecedented trends in technology, demographics, consumer demand and infrastructure. These in turn are completely changing the scope of work for global trade management; how it is viewed and more importantly, how it is executed successfully. It is important to understand how these trends affect global supply chain dynamics:

- **Changing consumer behaviour**

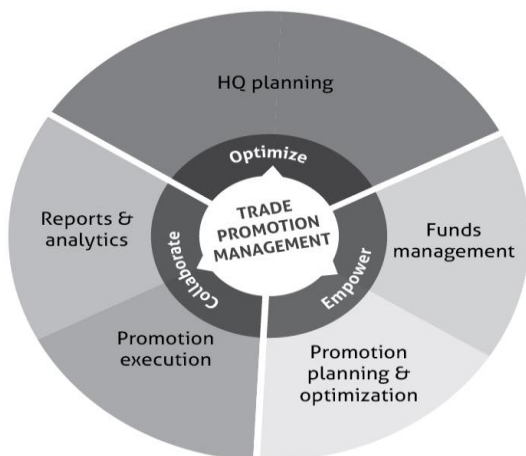
Advances in technology and the proliferation of smartphones have made it easier to spend money, leading to new consumer behaviours. Businesses will have to adapt to this with multi-channel strategies. A customer may view an item online, then visit a store nearby to try it and purchase it online at a later date; putting pressure on the business to have products ready at multiple consumer touch-points. Consumers are also becoming more demanding. If they order a product online, they have specific expectations as to when the items are delivered.

- **Rising transportation costs**

The increase in global trade, paired with rising fuel costs, is also putting more pressure on resources, with transportation costs becoming a key factor in decisions about where to establish factories and how much inventory to keep in stock. Already, businesses are considering when to change transport modes from costly air freight to cheaper options.



- **Improved global logistics infrastructures**



Investments in infrastructure are focusing on improving links between transportation nodes in order to facilitate faster and cheaper deliveries, offering businesses more choices on how to deliver their goods to customers. A recent report by the World Economic Forum in collaboration with Bain & Co and the World Bank concluded that an ambitious improvement in just two sources of supply chain cost – border administration procedures and transport and communications infrastructure services – could increase global GDP by 4.7%.

## 5. Global Trade Management Requires New Strategies

With increasing global trade and customer demands exerting such pressure on supply chain management (SCM), more businesses are looking to adopt sophisticated supply chain technology and improve sourcing strategies to reduce the risk of disruptions, minimise costs and remain competitive. Supply chain technology is no longer just used to keep the supply chain running, but has become an actual enabler of the supply chain, and a powerful tool to collate and analyse data to achieve end-to-end transparency, supporting informed decisions.

To meet changing channel and consumer demands, businesses are under pressure to constantly review and adapt their strategies. Deliveries are expected to become more localised to reduce the transit times of goods and to reach new markets. Consequently, the number of regional distribution centres will increase, leading to more suppliers and third party logistics providers than ever before. This makes communication, collaboration and visibility throughout the supply chain essential to ensure smooth global trading, customs compliance, timely deliveries and cost savings.

## 6. What Should You Look For In An Scm Solution?

To efficiently master these global trade challenges and to capitalise on the phenomenal growth we've witnessed over recent years, businesses require a truly end-to-end SCM software solution, combining both logistics and global trade aspects in one suite. Special attention should be paid to three crucial areas:

- International transactions can involve over 20 parties and over 30 documents that need processing for various stakeholders. An integrated SCM solution automatically creates picking orders and shipping and customs documentation, mandatory export control checks in the background, enabling logistics departments to focus on their core business .
- Technological progress has made real-time visibility of shipments in transit, inventory levels, customs clearance results and overall status progress a reality, allowing better cost control and supply chain performance. A recent survey by Gartner established that over 30% of supply chain executives consider supply chain visibility and event management their top priority.

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- Data analytics allows businesses to gain a better understanding of themselves as well as the markets they operate in. In future, businesses will increasingly extrapolate data from their



SCM solution to facilitate better planning, and to form statistical models to carry out scenario analyses, e.g. the implications of closing a large distribution centre in country A and opening two smaller distribution centres in countries B and C, or the advantages of working with carrier A instead of carrier B.

### 7. Get The Best Out Of Scm Solution

The most common reasons cited for an end-to-end SCM solution is the need for a common platform, process improvement, data visibility, reduced operating cost, increased customer responsiveness, and improved strategic decision making. Here are some best practices and pointers on how to use such a solution to its fullest extent:

- **Don't forget the big picture:** The key to success is looking at the big picture: What are the key objectives? Why are we launching this strategy? What is the expected ROI? It is important to have a clearly defined scope of what to expect from an SCM solution, who is driving the programme and what resources are required. Failure to do so can lead to ambiguity as well as budget and time overruns. Businesses should work closely with their technology partners and have an open communication on what the entire process will entail.
- **Integrate!:** Most businesses already have some supply chain software – e.g. transport or warehouse management – in place when they decide to implement an end-to-end SCM solution. Integrating existing software, internal departments and external partners is no easy task and takes time, but is vital in order to achieve all benefits. And while it is important to have suppliers, carriers and partners on board, businesses will soon go one step further and look towards integrating with their key customers and retailers as well.
- **Tear down silos through cross-functional integration:** Many businesses still operate in silos, which prevents supply chain collaboration, transparency and consistency. Critical information takes too long to reach the parties who need it the most and customer service suffers. Businesses would benefit significantly from enforcing the same levels of service internally as they expect from their suppliers and partners. This can be achieved through regular KPI meetings and open communication.
- **Staff training:** Part of the challenge is to train employees on how the technology works, how it should be used, and most importantly, what benefit it will bring to their work. Often new technology is not adopted because of the mentality that the old solution works and there is an established comfort level. However, communicating the flaws of the old system in comparison with the new system can lead to the successful and enthusiastic adoption of new

technology. Training should also extend to how the new solution will help reduce complexity and cost in the supply chain as a whole, giving each employee a better understanding of their role in the entire supply chain process.

- **Assess and reduce risk:** Once an SCM solution is set up, the next step is a thorough risk assessment to identify areas in the supply chain, where disruptions could bring things to a standstill. While it is impossible to remove risk completely or even predict disruptions, a business should be able to quickly prepare a Plan B. Regular training should be carried out to equip staff with crisis management skills. To further mitigate risk, businesses need processes in place to assess partners' service providers' and suppliers' performances and conduct general background checks.
- **Optimise the supply chain:** Cost control remains a key challenge faced by supply chain managers. Visibility gained through an SCM solution will uncover many bottlenecks, showing the key avenues for optimisation that will make the supply chain more robust and reduce operational cost. This frees up manpower and enables teams to focus on their core tasks and on increasing efficiency.
- **Study the data:** Many businesses fail to recognise that an end-to-end SCM solution also provides a continuous relay of information. The challenge is to make sense of this information. Some SCM solution providers are offering supply chain data analytic services and provide recommendations on how best to use the data to improve the supply chain comprehensively. As experts in supply chain management, they are perfectly suited to provide valuable insights on how a business should move forward, especially when it comes to transforming the supply chain, e.g. through setting up new distribution centres.
- **Continuous improvement process:** In addition to monitoring the supply chain in real-time, businesses are well advised to carefully monitor the performance of their suppliers and partners. This will encourage the various stakeholders to collaborate and even improve their level of service to contribute to a well functioning supply chain. For example, if a supplier has continually missed delivery targets, it will be flagged in the system until the issues and solutions to rectify them have been discussed. With this as a basis, a continuous improvement process (CIP) can be implemented, not only externally with suppliers, but also internally to monitor their performance. Every link in the chain must be tightly integrated for overall success.

## 8. Adapt to the market

Global trade management is an ever-moving target, and market conditions are constantly changing. New considerations will come into play and new markets with unique features will open up. An SCM solution provides a platform for smooth and compliant operations from procurement to fulfilment, smart and agile decision making in order to reach existing and new markets quickly and successfully, and visibility and flexibility to take key supply chain decisions promptly, as requirements and strategies change and problems arise. These abilities will be critical for the successful global trade leaders of the future.

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### Conclusion

The currently proposed cuts to maximum allowable subsidy and tariff levels have, to a great extent, already been superseded by reality; domestic reforms mean that “applied” rates are already near or below the future caps under discussion. Locking in autonomous liberalisation reforms would also be a useful bulwark against backsliding, but it does not excite businesses or developing countries looking for new export opportunities. More generally the Doha agenda reflects concerns from the world of the late 1990s, not from the world of today in which regional and bilateral FTAs continue to mushroom, in which high, not low, food prices are the worry and in which key trade policy concerns involve overcoming the current economic recession and addressing competitiveness concerns related to attempts to curb GHG emissions. They will be addressed through bilateral or unilateral measures, as illustrated by the debate surrounding border tax adjustment in the US.

In these circumstances there might be a case for rethinking the negotiating agenda of the WTO. For most WTO members, however, reopening the negotiating mandate set in Doha is a “non-starter” as this would most probably kill the Doha Round of negotiations. The recent establishment of a WTO task force and monitoring system to deal with the trade dimension of financial crisis provides an interesting precedent in this respect, as a creative way through which new issues can be addressed outside of the ongoing negotiating mandate. In the same line the holding of a largely overdue formal ministerial conference to reflect on the future of the multilateral trading system and discuss a common vision for the WTO beyond ongoing negotiations could provide a useful venue to address the new challenges confronting the global economy.

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## **IMPACT OF ATTRACTION FACTOR ON TOURIST SATISFCATION** **IN YERCAUD HILL STATION**

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### **Abstract**

*Tourism is one of the largest revenue generating industries in the world. The rich to the common man has adopted tour as a part of life. Hill stations, due to their scenic beauty and pleasant climate ranks top among tourist destinations. One such hill station in Tamil Nadu is Yercaud. This paper studies the various types of attractions that motivates tourists to visit this hill station. An attempt has been made to analyse the various dimensions that played a major role in promoting tourist satisfaction.*

### **Tourist Satisfaction**

Pizam, Neumann and Rechel define tourist satisfaction as the result of the comparison between 'a tourist's experience at the destination visited and the expectations about the destination'. Cadotte, Woodruff and Jenkins suggest that satisfaction refers to the comparison of expectations with experience in terms of performance. Similarly, Moutinho notes that satisfaction is primarily a function of pre-travel expectations and travel experiences. Thus satisfaction will occur when experience differs positively from expectations. Expectations are confirmed when a service performs as expected; they are negative when the service is worse than expected and are positive when expectations are exceeded (Oliver & Desarbo). This definition has been criticized for assuming that expectations are adequate precursors to satisfaction. In fact the most satisfactory experiences may be those that are not expected. Pearce agrees that tourist satisfaction is affected by the pre-and post trip views of the visitor. However, he does see it as being dependent on pre-travel favourability towards the destination visited, which contributes to post-travel favourability<sup>1</sup>. Satisfaction is thus a multi-facted concept and should be assessed by referring to the many aspects of the holiday that individuals encounter. In summary, the many definitions of satisfaction are often opposing and confusing, generally failing to clearly explain the concept adequately. However, satisfaction has generally been found to be the outcome of the comparison between expectations and experiences, the difference between expectations and perceived performance of destination attributes. It is a person's feelings of pleasure or disappointment resulting from comparing a product's perceived performance in relation to his expectations. If the performance falls short of expectations, the consumer (tourist) is dissatisfied. If the performance exceeds expectations the tourist is highly satisfied. Tourist satisfaction is often referred to as the "fit" between expectations and the perceived evaluative outcome of the experience. The concept of tourist satisfaction implies that a highly satisfied tourist stays longer, visits more in the future and talks favourably of the destination.

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### **Tourism In Tamil Nadu**

Tamil Nadu is a unique state in several aspects and more especially from the tourism point of view. Tamil Nadu has to offer something for all types of tourists, literate, illiterate, haves and have-nots. Tourists belong to both genders of different age groups. All fragments of Tamil Nadu is a window to the South and it is wide open with ancient legacies. From the state capital, Chennai to the southern tip Kanyakumari, Tamil Nadu has lot of tourist destinations. It is a land of splendour, serenity and tranquility, renowned for its hospitality. Its vast colourful canvas studded with natural, cultural, architectural and historical gems, makes it one of the most interested and satisfying tourist regions in the country. Tamil Nadu is a remarkable blend of the ancient, the modern and the picturesque. As a veritable treasure trove of art and cultural, Tamil Nadu has a diversity of attractions to offer to the tourists. In view of this fascination, tourists visit Tamil Nadu throughout the year. Information Technology, Pharmaceutical, Automobile, Telecom and Banking sectors are making Tamil Nadu their favoured business destination.

### **Statement of the Problem**

India is slowly realizing that tourism is not just a fun business. It has serious implications relating to the well – being of the people, their culture and economy. The performance of any service industry depends upon customer satisfaction. Although customer satisfaction research has grown in the last decade as the fastest growing area in services marketing and management, very little research has been done on tourism industry. The conceptual components of tourists' satisfaction are the expectations and actual experience of the tourists. The gap between these two components, rather than the components themselves determines satisfaction. There are various factors affecting tourists' satisfaction namely Attraction, Activities, Accessibility, Accommodation and Amenities. It is imperative to find out the factors that influence tourist satisfaction, including the visitors' perception of each factor. Therefore a comprehensive understanding of satisfaction level of the tourists relating to each of the factors is required. This leads to various research issues. But the researcher constrains themselves due to time and cost factors focused on only one factor of HOLSAT model namely **"Attractions"**. It leads to few research questions such as, what is the expectation of tourists regarding Attraction, in Yercaud Hill station? How does the personal, demographic and rational profile trigger their satisfaction?

### **Objectives of the Study**

1. To know the tourism profile of hill stations in Tamil Nadu and
2. To analyse the attraction variables and its relationship with overall satisfaction among the tourists who visit Yercaud hill station.

### **Methodology and Data Collection**

The researchers have used both primary and secondary data for this study. The primary data was collected through structured questionnaire which were circulated among the tourists who visited Yercaud hill station during the month of January 2017. The secondary data was collected from few magazines and internet. The sample size is fixed as 75 and 75 questionnaires were collected from the tourists. But out of which only 61 questionnaires was in usable conditions due some of the data being incomplete in other questionnaires. Therefore the researchers restricted themselves with 61 as the sample size for this study.

## HOLSAT Model

HOLSAT is a tourist satisfaction model developed by Tribe and Snaith. It compares the performance of a wide range of holiday attributes against a holidaymaker's expectations as a means of evaluating satisfaction with a particular holiday destination or experience. This approach overcomes some of the limitations of other models in dealing with the concept of holiday satisfaction. HOLSAT model has certain attributes which may be called the key factors that define the subject holiday destination and are conveniently grouped under the following headings.

1. **Attractions:** desirable feature that attract holidaymakers to the specific destination.
2. **Activities:** types of recreational and entertainment activities available
3. **Accessibility:** ease of traveling to the destination, including issues such as obtaining visas, facing health risks, and the like.
4. **Accommodation:** style and standards of accommodation available at the destination; and
5. **Amenity:** general facilities that holidaymakers require, such as banking international direct dialing (IDD) telephone services, shopping and so on.

The researcher has taken only one character namely attractions for her study and one hill station namely Yercaud which is located near salem in Tamil state. The following are the variables which fall under the factor attractions as stated below.

**Attractions:** desirable feature that attract holidaymakers to the specific destination. Climate (X1) Water falls (X2) Wild Animals and Birds (X3) Scenic spots (X4) Cheap Handicrafts (X5) Deep Forest Regions (X6) Places of Worship (X7) Botanical garden (X8) Historical sites (X9) Museums (X10)

## Data Analysis

The researcher used simple percentage analysis to review the personal demographic profile of the tourists, contingency co-efficient to confirm the relationship among the sources of information, tour motive and the tour destination which are part of the rational profile of the tourists and multiple regression to indentify which variables contribute to the tourists satisfaction under the factor attractions presented below.

**Table 1 Personal and Demographic Profile of Tourists**

Factors		Frequency (n=61)
Nativity	Asia	46 (75.4)
	Europe	5 (8.2)
	North America	3 (4.9)
	South America	1 (1.6)
	Australia	2 (3.3)
	Africa	4 (6.6)
Gender	Male	49 (80.3)
	Female	12 (19.7)
Age (in years)	Below 20	7 (11.5)
	20 – 40	36 (59.0)
	40 – 60	17 (27.9)
	Above 60	1 (1.6)
Marital status	Married	28 (45.9)
	Unmarried	33 (54.1)
Educational qualification	Below high school	0 (0.0)
	High school	10 (16.4)
	Bachelor's degree	32 (52.5)
	Master's degree	17 (27.9)
	Above master's degree	2 (3.3)

( ) in per cent

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Table 1 visualizes the personal and demographic profile of tourists based on the tour destination (one of the hill stations of Tamil Nadu) namely Yercaud. In the view of above results, a majority of 75.4 per cent of the tourists were from the Asian continent. Here also, the strength of male tourists (80.3%) dominated over the female tourists, and 59% of the people fell in the age group of 20 – 40. This place was visited more by the unmarried people (54.1%) and majority groups (52.5%) were bachelor degree holders among the tourists who visited this hill station.

**Table 2**  
**Rational Profile of Tourists**

Factors		Frequency (n=61)
Tour Motive a	Scenic beauty	6 (9.8)
	Climate	<b>22 (36.1)</b>
	Part of tour package	9 (14.8)
	Health	3 (4.9)
	Recreation	7 (11.5)
	Others	14 (23.0)
Sources of Information a	Friends	<b>35 (57.4)</b>
	Travel agents	10 (16.4)
	Websites	8 (13.1)
	Indian govt. advertisement	2 (3.3)
	Other sources	6 (9.8)
Mode of Transportation b	Govt. buses	<b>21 (34.4)</b>
	Tourist buses	20 (32.8)
	Train	2 (3.3)
	Taxi	7 (11.5)
	Others	11 (18.0)
Duration of Stay	One day	8 (13.1)
	2 days	<b>27 (44.3)</b>
	3 days	14 (23.0)
	Above 3 days	12 (19.7)
Companions	One	7 (11.5)
	Two	11 (18.0)
	Three	11 (18.0)
	Above three	<b>29 (47.5)</b>
	Nil	3 (4.9)

( ) in per cent    a Contingency coefficient<0.5    P-Value<0.01

b Contingency coefficient>0.5    P-Value<0.01

Table 2 shows the rational profile of tourists based on the three tour hill station Yercaud. A majority of the tourists comprising 36.1 per cent in Yercaud stated that climate was the main reason behind their visit. A majority comprising 57.4 per cent of the total tourists who visited Yercaud came to know of the place through their friends. The government buses were the main mode of transportation for majority of the tourist (34.4%) to reach Yercaud. In this hill station, majority of the tourists preferred 2 days as their duration of the stay. Finally, the contingency co-efficient was used to find the relationship between the rational profile of tourists and the tour destination they had visited. The result of the contingency co-efficient confirms that the relationship among the sources of information, tour motive and the tour destination were less than 50 per cent and also it was



significant at 1 per cent level. Similarly, mode of transportation was also connected with the tour destination and the relationship was quantified as more than 50 per cent at 1 per cent level.

**Table 3 Impact of Various Items of Attraction on Tourists' Satisfaction**

Dependent variable: Satisfaction Score (Y)

Independent variable	Unstandardized coefficient	Std. error	Standardized coefficient	t ratio	Sig.
Constant	1.704	0.155	--	10.970	0.000
Climate (X1)	- 0.019	0.033	- 0.040	- 0.566	0.574
Water falls (X2)	- 0.024	0.032	- 0.054	- 0.746	0.459
Wild Animals and Birds (X3)	- 0.020	0.025	- 0.056	- 0.808	0.423
Scenic spots (X4)	0.080	0.024	0.248	3.251	0.002
Cheap Handicrafts (X5)	0.061	0.031	0.176	1.978	0.053
Deep Forest Regions (X6)	0.087	0.027	0.288	3.271	0.002
Places of Worship (X7)	0.059	0.021	0.197	2.796	0.007
Botanical garden (X8)	0.046	0.020	0.214	2.254	0.029
Historical sites (X9)	0.031	0.024	0.101	1.291	0.203
Museums (X10)	0.088	0.024	0.272	3.631	0.001

**Multiple R = 0.894 F-Value = 19.897 d.f (10,50) P-Value<0.01 R2 = 0.799**

**$\hat{Y} = 1.704 - 0.019X_1 - 0.024X_2 - 0.020X_3 + 0.080X_4 + 0.061X_5 + 0.087X_6 + 0.059X_7 + 0.046X_8 + 0.031X_9 + 0.088X_{10}$**

#### Where Y is the estimated satisfaction score

Table 3 reveals the contribution of various items of attraction factor to the satisfaction of tourists in Yercaud. The above equation describes that on an average if the response score for climate changes by one unit, there would be 0.019 units decrease in the tourists' satisfaction when other attractions such as water falls, wild animals and birds, scenic spots, cheap handicrafts, deep forest regions, Places of Worship, botanical gardens, historical sites and museums are kept constant; and so on as is presented in the above given table. The result of the t-test confirms that the estimated regression co-efficients (0.080), (0.087), (0.059) and (0.088) are highly significant at one per cent level and (0.046) is highly significant at five per cent level. The multiple R found to be 0.894 explains the relationship between the satisfaction score and the attractions in Yercaud to the extent of 89.4 per cent. Moreover, the R2 value 0.799 reveals that the attractions explained a variation of 79.9 per cent in the satisfaction score. Finally the result of the F-test confirms that the variation explained by the attraction factor was highly significant for 10,50 degrees of freedom at 1 per cent level. Out of the 10 different attractions identified by the researcher, five variables significantly contributed and increased the tourists' satisfaction in Yercaud. The attractions museums, deep forest region and scenic spots played a dominant role in predicting the satisfaction of the tourists who visited Yercaud.

#### Conclusion

It is imperative that necessary steps are derived to safeguard the various aspects of attractions that attract tourists towards hill stations especially Yercaud. The government may come up with suitable measures to protect and retain the deep forest regions and the scenic beauty and the persistence of the pleasant climate in Yercaud in order not to drive away tourists

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## **HR POLICIES AND PRACTICES IN BANKING SECTOR**

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### **Abstract**

*Human Resource Management is one of the most essential requirements for survival in this competitive world. In this paper, an attempt has been made to test the hypothesis for administrative skills, competitive advantage and human resource development (HRD) policies and Practices In banking sector. This study reveals that the Bank Managers have good administrative skills for industrial competitiveness. Also, they have good administrative skills to manage HRD policies.*

### **Introduction**

Human resource is the most important resource for any type of organisation irrespective of the nature of the organisation in the present scenario. Therefore all organisations whether belongs to production or service sector have to concentrate on the balance management and effective utilisation of human resource; hence HR is gaining popularity in the present world.

### **Human Resource**

Human resource is the set of individuals who make up the workforce of an organization, business sector or economy. "Human capital" is sometimes used synonymously with human resources, although human capital typically refers to a more narrow view. Likewise, other terms sometimes used include "manpower", "talent", "labour", or simply "people".

### **Human Resource Management**

The professional discipline and business function that oversees an organization's human resources is called human resource management. Human Resource Management is the function within an organization that focuses on recruitment, management and providing direction for the people who work in the organization. HRM is also a strategic and comprehensive approach to managing people and the workplace culture and environment. Effective HRM enables employees to contribute effectively and productively to the overall company direction and the accomplishment of the organization's goals and objectives.

### **Human Resource Development**

Human Resource Development is the framework for helping employees to develop their personal and organizational skills, knowledge and abilities. Human Resource Development includes such opportunities as employee training, employee career development, performance management and development, coaching, mentoring, succession planning, key employee identification, tuition assistance and organization development. Human resource development is an integral part of human resource function of an organization that deals with development of the human resource through trainings and experiential learning. HRD develops the key competencies of a person through performance analysis, identifying the gap and providing training to fill the gaps.

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Human Resource development has a dual objective of growth of the employee and the growth of organization. As this provides learning and growth for employees, it also leads to higher levels of employee satisfaction.

### **HR Policies Among The banking Operators**

HR policies are systems of codified decisions, established by an organization, to support administrative personnel functions, performance management, employee relations and resource planning. The commonly used human resource policies of Banking operators in general are; promoting women empowerment, training of workforce, promoting higher education, training Programmes such as on the job training and off the job training.

### **Banking Sector:**

Organizational Policy Organizational policy involves the use of processes through which the employees of an organization are prepared to give their best for corporate objectives. It involves setting up of a system through which human capabilities and potentials can be tapped resulting in mutual satisfaction of the individuals and organizations. It is a process by which employees of an organization are continuously helped in a planned way to meet the objectives of an organization. It helps to acquire or sharpen capabilities and improve organizational culture where superior-subordinate relationships, teamwork and collaboration among different subunits are improved for better organizational health, dynamism and pride of employees. Human Resources policies and procedures establish a framework and set standards that guide how we should conduct ourselves as employees and members of the broader Princeton community. HR staff members play a vital role to help managers and staff to interpret and apply our policies equitably and fairly. In addition, all employees share responsibility for protecting the well-being of the community and for adhering to norms of behavior that make this a great place to work. The researcher intends to accommodate all the policies and practices which are followed by the Banking Sector in her study. Factor analysis may be used to find the various factors which are influencing the employee satisfaction and there after other multivariate analysis can be exercised to find the correlated aspects to identify the components of HR requirements of the organisation by using SEM model. The researcher is also interested to know the various other aspects of HRD of the concern from the management and employees perspective.

## **ACTIVITY RECOGNITION USING GENETIC ALGORITHM- BASED CLASIFIERS**

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### **Abstract**

*Activity recognition of an elderly person can be used to provide information and intelligent services to health care professionals, careers, elderly people, and their families so that the elderly people can remain homes independently. The present system has a large number of sensors are required which is an infeasible and time-consuming process; uncertainty of sensors such as a false start and inability to detect object could also result in a poor recognition rate. An on-body sensor-based activity recognition approach, on the other hand, collects data. Common on-body sensors include accelerometer and inertia sensor. The sensors are attached to body locations such as chest, wrist, waist, etc. However, sensors are required to be worn all the time which may interrupt or reduce mobility of a user or even obstruct daily activities routine. This study investigates the use and contribution of wrist-worn multi-sensors for activity recognition. We found accelerometers are the most important sensors. We propose a Genetic algorithm-based Fusion Weight selection approach which utilizes GA to find fusion weights. The study shows 98% of times GAFW can achieve equal or higher accuracy than the best classifier within the group.*

**Keywords**-sensor, accelerometer, inertiasensor, GA, algorithm based fusion selection approach, GAFW

### **Introduction**

In this paper, a vast variety of sensors have been explored and used such as accelerometer, temperature, pressure, etc. Based on the sensor types, activity recognition can be divided into two approaches. In the on-object sensor based activity recognition approach, the sensor are attached to objects in inhabitant area. For example, sensors were installed on furniture to infer activities. The approach exploits the semantic relationship between objects and activities to classify activities. However, a large number of sensor are required which is infeasible and time consuming process, uncertainty of sensors such as false start and unable to detect object could also result in a poor recognition rate. An on-body sensor based activity recognition approach, on the other hand, collects data. Common on-body sensors are such as accelerometer and inertia sensor. The sensors are attached to body locations such as chest, wrist, waist, etc. However, sensors are required to be worn at all-time which may interrupt or reduce mobility of a user or even obstruct daily activities routine. Especially in elderly care applications, the sensors may be perceived as stigmatization. It is important that the activity recognition model is highly accurate based on wrist-worn sensors. Accelerometer, temperature sensor were used and 90% accuracy was achieved. An embedded system is a special-purpose computer system, which is completely encapsulated by the device it controls. An embedded system has specific requirements and performs pre-defined tasks, unlike a general-purpose personal computer. This is to be understood in comparison to older systems with full functional hardware or systems with general purpose hardware and externally loaded software.

It use genetic algorithm to determine the fusion weights. Studies indicated GA could improve the classifier fusion accuracy. For example, classifier combination using 8-10 ensembles generated from different techniques. Weight combination using GA to combine several Bayesian classifiers was investigated. However, there are some limitations on these studies. Firstly, most of them focused only on the fusion of all classifiers. For example, they produced 6 classifiers then used GA to combine them. In this study, it collected a multi-sensor data set of 13 activities of elderly persons

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in a real home. Its propose a multi-sensor activity recognition which fuses information at feature and classifier levels. It investigate the use of GA for fusion weight that addresses the previous limitations.

### Previous Works

1. The literature [3] to worn on a waist to prevent child accidents. Accelerometer recognize mean, standard deviation and slope of time domain are calculated. It collect all the activities in the body.
2. The literature [6] proposes a Promotion of health enhancing physical activities and healthier lifestyle. Aim is to find out activities and which sensor are useful and what kind of signal processing is required.It analysis all the signals. So, collision occurs the signal.
3. The literature [7] proposes sensible to incorporate weights to the classifiers.Fusion weight function including weighted accuracy and techniquesused in forecasting domain i.e. simple average,variance-covariance and discounted meansquare forecast errorare investigated.
4. The literature [8] proposes the problems of multi-focus image fusion based on neighbor distance filter. In this, first the images are decomposed into blocks using the neighbor distance multi-scale decomposition. The block having maximum value is taken for fusion
5. The literature [9] proposes the multisensor image fusion method using discrete cosine transform for images used in wireless visual sensor network.

## System Architecture and Algorithms

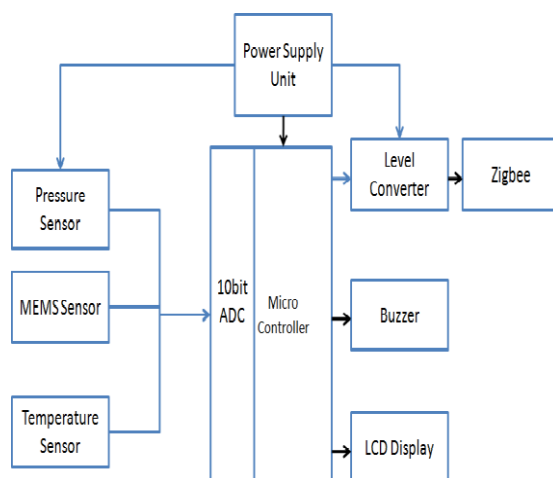
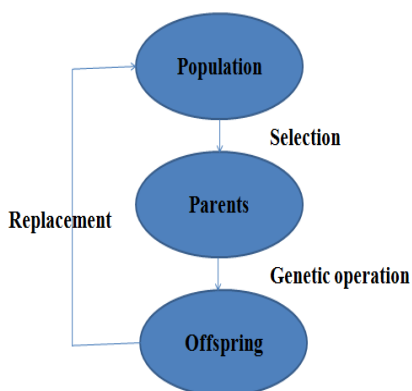
### A.Genetic Algorithm

Genetic Algorithm is an evolutionary algorithm that comes under the guided random search techniques.The GA is designed to simulate processes in natural systems necessary for evolution; especially those that follow the“survival of the fittest” principle. The genetic algorithm is based on the principle of natural selection in which a string of bits is taken as genetic material. The fitness function evaluates each individual.Fromthis,high fitness individuals will take part in next generation and low fitness individual are usually ignored.In selection step,several methods are available such as tournament selection, truncation selection, roulette wheel selection, rank based selection, steady state selection,elitism and stochastic universal selection.The genetic algorithm cycle has been used in many applications such as function optimization, system identification and control, image processing,robotics, facial recognition, parameter optimization and controllers and multi-objective optimization. The wavelet transform technique is more suitable for image fusion compared with other techniques.The discrete wavelet transform decomposes the image into the components as detail and approximation. Then approximation components are decomposed into next level components. The discrete wavelet packet transform is a modified discrete wavelet transform in which the detail components are also decomposed into next level components.Also,wavelet transform can be modified as hybrid transform in which two transform methods are used together for image fusion .The hybrid matrix is generated by using the basic matrix of each transform. If input image size is not an integer power of 2,then the Kekre’s wavelet transform is used for image fusion.By using any of the fusion method, the different solutions are produced. After this it is necessary to select proper or optimized solution suitable for that the

multifocus image fusion using quality assessment of spatial domain and genetic algorithm is explained. Similar to ,the images are divided into blocks. The block size is determined using genetic algorithm. The quality assessment can be spatial domain assessment or frequency domain assessment. The image fusion is an iterative process. The GA is run until a fused image of desired quality is obtained or maximum numbers of iterations are completed. Sometimes GA is used for longer time to get optimized solution . In medical applications, magnetic resonance image is considered for the feature elements. In this case, optimized feature vector is selected by using genetic algorithm has proposed image fusion scheme in which input images are decomposed into two subbands as low frequency subband and high frequency subband by using wavelet transform. Theaveraging information from low frequency subbands and maximum information from high frequency subbands are selected by applying genetic algorithm. Finally inverse wavelet transform is applied to find fused image. In another approach proposed the genetic algorithm is used to fuse images using an approach that combines the pixel level and discrete wavelet transform information. The evaluation of fused imageis done by using the performance parameters such as Mean squared error, Peak signal to noise ratio, Root mean squared error, Mutual Information, Standard deviation, Spatial Frequency and entropy. GA based image fusion methods are time consuming so they cannot used in real time applications.

**Fig 1: Genetic algorithm cycle.**

#### Block Diagram



**Fig 2: Block diagram of proposed method**

#### A. Block Diagram Explanation

The block diagram uses five main blocks such as Microcontroller, display, buzzer, sensor and converters. pressure sensor is used to detect pressure and the temperature sensor is used to detect the temperature from human body and send the information to the microcontroller. Sensor produces the analog signals that can be converted using ADC. The digital signals are analysed using the display.

#### Hardware Requirements

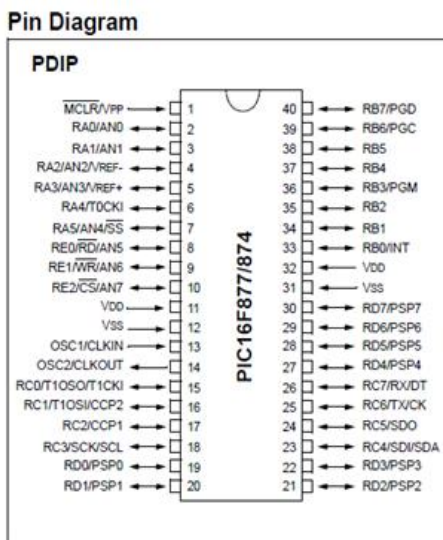
**A. Microcontroller:** A Micro controller consists of a powerful CPU tightly coupled with memory (RAM, ROM or EPROM), various I / O features such as Serial ports, Parallel Ports, Timer/Counters,

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Interrupt Controller, Data Acquisition interfaces-Analog to Digital Converter (ADC), Digital to Analog Converter (DAC), everything integrated onto a single Silicon Chip. If a system is developed with microprocessor, the designer has to go for external memory such as RAM, ROM or EPROM and peripherals and hence the size of the PCB will be large enough to hold all the required peripherals. But, the micro controller has got all these peripheral facilities on a single chip so development of a similar system with a micro controller reduces PCB size and cost of the design.

One of the major differences between a micro controller and a microprocessor is that a controller often deals with bits, not bytes as in the real world application, for example switch contacts can only be open or Close, indicators should be lit or dark and motors can be either turned on or off and so forth.

**Fig 3: Pin diagram of PIC16F877/1874**



### B. Pressure sensor

Pressure is defined as force per unit area that a fluid exerts on its surroundings.[1] For example, pressure,  $P$ , is a function of force,  $F$ , and area,  $A$ .

$$P = F/A$$

A container full of gas contains innumerable atoms and molecules that are constantly bouncing off its walls. The pressure would be the average force of these atoms and molecules on its walls per unit of area of the container. Moreover, pressure does not have to be measured along the wall of a container but rather can be measured as the force per unit area along any plane. Air pressure, for example, is a function of the weight of the air pushing down on Earth. Thus, as the altitude increases, pressure

decreases. Similarly, as a scuba diver or submarine dives deeper into the ocean, the pressure increases. The SI unit for pressure is the Pascal ( $\text{N}/\text{m}^2$ ), but other common units of pressure include pounds per square inch (PSI), atmospheres (atm), bars, inches of mercury (in Hg), and millimeters of mercury (mm Hg). A pressure measurement can be described as either static or dynamic. The pressure in cases where no motion is occurring is referred to as static pressure. Examples of static pressure include the pressure of the air inside a balloon or water inside a basin. Often times, the motion of a fluid changes the force applied to its surroundings. Such a pressure measurement is known as dynamic pressure measurement. For example, the pressure inside a balloon or at the bottom of a water basin would change as air is let out of the balloon or as water is poured out of the basin. Head pressure (or pressure head) measures the static pressure of a liquid in a tank or a pipe. Head pressure,  $P$ , is a function solely on the height of the liquid,  $h$ , and weight density,  $w$  of the liquid.

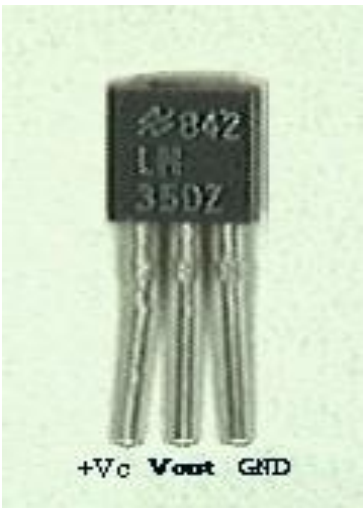
### C. Temperature sensor

A temperature sensor is a device, typically, a thermocouple or RTD, that provides for temperature measurement through an electrical signal. A thermocouple (T/C) is made from two



dissimilar metals that generate electrical voltage in direct proportion to changes in temperature. The LM35 is an integrated circuit sensor that can be used to measure temperature with an electrical output proportional to the temperature (in °C).

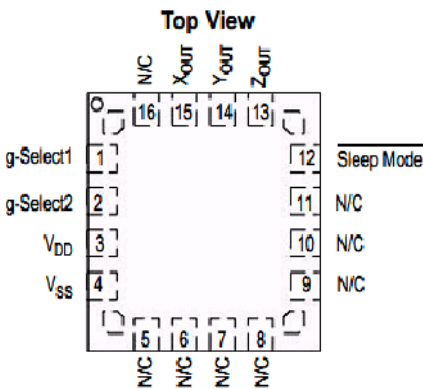
Fig 4: Pin diagram of LM 35



D. MEMS Sensor

The below diagram shows the Pinout diagram of MMA7260Q. So we can easily under-stand how the MMA7260Q sensor looks like and from the pinout diagram shows the where the pins comes and which pins interfacing with the microcontroller. Because of sensor MMA7260Q small size our project size will be in small size. In this project we are

Fig 5: Pinout of MMA7260Q



using sensor MMA7160Q there are many pins which are not in using purpose so when we implementing the project that time we know that the how to put the sensors on the PCB board and easily interface with the microcontroller and making the project in less size on PCB.

E. LCD Display and Buzzer

LCD (liquid crystal display) is the technology used for displays in notebook and other smaller computers. Like light-emitting diode (LED) and gas-plasma technologies, LCDs allow displays to be much thinner than cathode ray tube (CRT) technology. LCDs consume much less power than LED and gas-display displays because they work on the principle of blocking light rather than emitting

it. A buzzer or beeper is an audio signalling device,[1] which may be mechanical, electromechanical, or piezoelectric. Typical uses of buzzers and beepers include alarm devices, timers, and confirmation of user input such as a mouse click or keystroke.

F.Zigbee

ZigBee is an open global standard for wireless technology designed to use low-power digital radio signals for personal area networks. ZigBee operates on the IEEE 802.15.4 specification and is used to create networks that require a low data transfer rate, energy efficiency and secure networking.

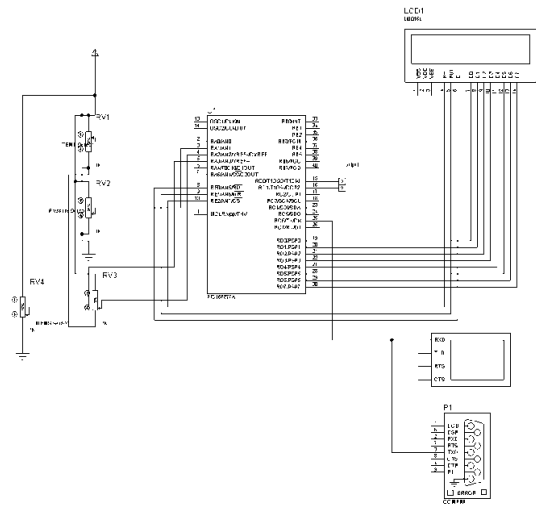


Fig 6: Circuit Diagram of accelerometer Using sensor MMA7260Q

### G.Circuit Diagram

The figure in circuit diagram tab2 shows the circuit diagram of Accelerometer using the sensor MMA7260Q. It also shows that the appropriate circuit connection regarding the perfect acceleration of the all the three direction. In this circuit diagram we can also see and measure the vibration, shocks and also step counting. Know the how the connection actual working with the sensors and the micro-controller also. Here, the G-Select 1 and 2 pins are connect to the switch ports and we are given to 3V power supply than pin 3 and 4 are connected with the ground terminal and then pin number 13,14, and 15 are for the all three direction i.e. x-axis, y-axis and z-axis output signals. After that remaining all pins not connected and no internal connection over there leave them for unconnected.

### Experimental Results and Discussion

The step counter application was tested and the performance was evaluated. Figure 7 shows a set of acceleration signals for a short segment for one case where a subject was running. The x-axis is in the direction of the tangent of the forearm, the y-axis is parallel to it and the z-axis is perpendicular to it. Normally when a wrist-watch like device is worn tightly on the wrist and the arms are in a position for running, the x-axis of the device points downwards, the y-axis points forward in the running direction and the z-axis to the side. The figure also includes the combined acceleration  $a_z$ . The case in the figure shows an interesting phenomenon. During the first 4 seconds in the plot there is a strong signal from the x-axis sensor but in the latter part this signal has moved over to the z-axis sensor. The reason for this is that the wrist device has been loosely fitted and has turned around the wrist during the running exercise to the side of the wrist, hanging on the downside of the arm. Each sharp spike in the waveforms of x- and y-axes corresponds to a combination of the heel strike in the gait cycle and the up-down movement of the body.

The heel strike signal is strongly softened by body spring-mass system when sensed on the wrist. On the y-axis a periodicity of half the frequency of the other axes can be observed. This is caused by the arm swinging forward and backward with the change in direction happening on each step. This example shows that at least a sensor with two axes is needed to cover situations where the wrist device might turn around the wrist. As can be seen in the plot, the  $a_z$  signal is insensitive to the change in the device orientation and has a fairly constant periodic acceleration signal with each step clearly distinguishable. The NWSP pedometer demo application was intended for running exercise. Tests showed that the application does not count steps during walking. Figure shows the acceleration signals from the wrist during a walking exercise. The signals are very noisy and have low amplitude. From the z-axis signal some periodicity can be observed. This periodicity is caused by swinging motion of the arm and thus, the frequency is half of the step rate.

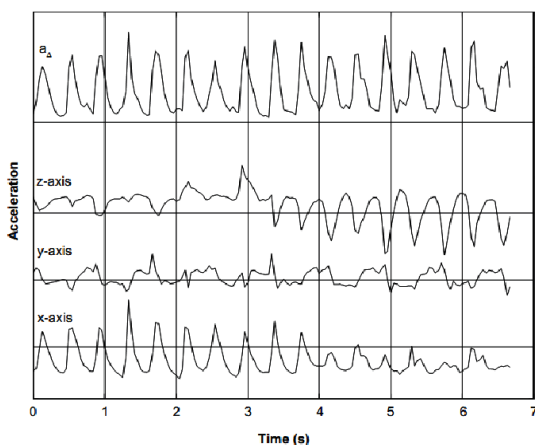
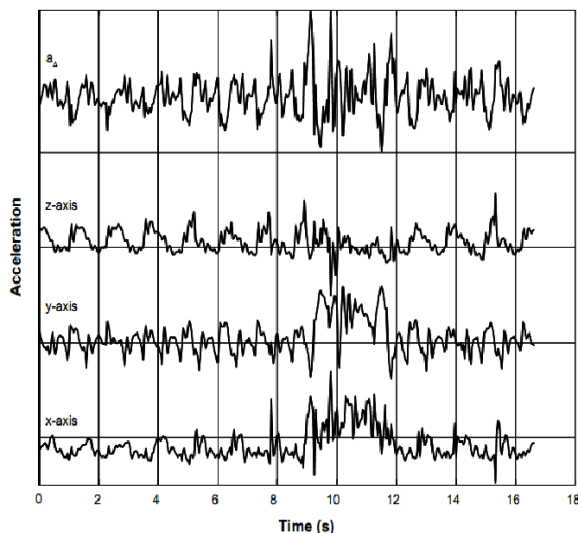


Fig 7: Acceleration signal during running

The combined acceleration signal has lost an obvious periodicity because noisy signals from x- and y-axes have been added. This makes it difficult to detect steps. In the plot around 10 seconds on the time line there are some disturbances corrupting the periodicity in axis z. This is a typical sporadic arm movement that occurs frequently while walking, making accurate step counting from the wrist very challenging for any activities other than running. A comparison was made against Nokia Step Counter application running on a Nokia N95 mobile phone as a reference. This application is believed to be very accurate and it is available for free from Nokia beta labs.

**Fig 8: Acceleration signal during walking.**



A small number of test users ran with the NWSP pedometer on the wrist and the N95 device in the pocket simultaneously counting the steps during short exercises of a few hundred steps. Results showed that the NWSP step counter acquired consistently around 30% fewer steps than the reference. This result was surprising as the contrary was expected. As there is no advanced filtering for rejecting false steps and no hysteresis to reject ripple and noise, it was expected that extra steps would be acquired by the NWSP. Also having a very low hold off period could be expected to pass through some extra steps. Measurements of accelerations from

the wrist showed that steps can be identified from the acceleration signals. From running exercises the detection is very clear. From walking activity steps could be detected with some limited accuracy using proper algorithms. The NWSP step counting algorithm was designed for running exercise. This was done before the acceleration measurements were available and it was later verified to be functional in laboratory conditions. However, the real running test showed a significant loss of steps. The probable cause of loss of steps lies in the way the 3-axis accelerations are combined into one acceleration signal. The sum of absolute values of the individual axes of acceleration may stay above the threshold at for a long time if there is interfering accelerations present from swinging arms, for example. Thus, steps are masked out by this interference. The problem could be remedied by raising the cutoff frequency of the high pass filters. As arm swinging has lower frequency accelerations than caused by the step impact it may be attenuated by the high pass filter. Another solution is to continuously monitor each acceleration axis separately and only use the one with clearest periodical signal as the source for step counting.

Reviews of pedometers have revealed very high inaccuracies in available devices based on acceleration sensors. To improve accuracy alternative sensing methods have been suggested, such as gyroscopes. As the NWSP includes gyro sensors, they could be utilized to improve the NWSP pedometer. Gyros are insensitive to linear acceleration and thus, interfering accelerations are suppressed. However, the heel strike or body up-down movement cannot be detected by this kind of sensor and the algorithm would have to rely on detecting arm swing.

### Conclusions

In this project, it provide information and intelligent services to health scheme is done. And also it monitoring the Temperature, Pressure and MEM's sensor. Here, it applying Genetic Algorithm fusion weights to reduce the collision in these sensors. It restrict the simple action problem of elders in this system. Its propose a multi-sensor activity recognition which fuses information at feature and classifier levels. It investigate the use of GA for fusion weight that addresses the previous limitations.

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## **PERFORMANCE APPRAISAL TECHNIQUES – AN OVERVIEW**

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### **Introduction**

The process of HRD helps the employees to acquire and develop technical, managerial and behavioural knowledge, skills and abilities and moulds the values, beliefs and attitudes necessary to perform present and future roles. Performance appraisal is essential to understand and improve the employee's performance through HRD. But the recent developments in human resources management indicate that performance appraisal is the basis for employee development. Performance appraisal indicates the level of desired performance level, level of actual performance and the gap between these two. This gap should be bridged through human resources development techniques like training, executive development etc...

### **Potential Benefits**

There are a number of potential benefits of organizational performance management conducting formal performance appraisals (PAs). There has been a general belief that PAs lead to positive implications for organizations. Furthermore, PAs can benefit an organization's effectiveness. One way is PAs can often lead to giving individual workers feedback about their job performance. From this may spawn several potential benefits such as the individual workers becoming more productive.

### **Other potential benefits include:**

- Facilitation of communication: communication in organizations is considered an essential function of worker motivation. It has been proposed that feedback from PAs aid in minimizing employees' perceptions of uncertainty. Fundamentally, feedback and management-employee communication can serve as a guide in job performance.
- Enhancement of employee focus through promoting trust: behaviors, thoughts, and/or issues may distract employees from their work, and trust issues may be among these distracting factors. Such factors that consume can lower job performance and cause workers to lose sight of organizational goals. Properly constructed and utilized PAs have the ability to lower distracting factors and encourage trust within the organization.
- Goal setting and desired performance reinforcement: organizations find it efficient to match individual worker's goals and performance with organizational goals. PAs provide room for discussion in the collaboration of these individual and organizational goals. Collaboration can also be advantageous by resulting in employee acceptance and satisfaction of appraisal results.
- Performance improvement: well constructed PAs can be valuable tools for communication with employees as pertaining to how their job performance stands with organizational expectations. "At the organizational level, numerous studies have reported positive relationships between human resource management (HRM) practices" and performance improvement at both the individual and organizational levels.

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- Determination of training needs: “Employee training and development are crucial components in helping an organization achieve strategic initiatives”. It has been argued that for PAs to truly be effective, post-appraisal opportunities for training and development in problem areas, as determined by the appraisal, must be offered. PAs can especially be instrumental for identifying training needs of new employees. Finally, PAs can help in the establishment and supervision of employees’ career goals.

### Improvements

Although performance appraisals can be so easily biased, there are certain steps that can be taken to improve the evaluations and reduce the margin of errors through the following:

- *Training* - Creating an awareness and acceptance in the people conducting the appraisals that within a group of workers, they will find a wide range in difference of skills and abilities.
- *Providing Feedback to Raters* - Trained raters provide managers who evaluated their subordinates with feedback, including information on ratings from other managers. This reduces leniency errors.
- *Subordinate Participation* - By allowing employee participation in the evaluation process, there is employee-supervisor reciprocity in the discussion for any discrepancies between self ratings and supervisor ratings, thus, increasing job satisfaction and motivation.

### 2. Opposition

Not everyone is in favor of formal performance appraisal systems. Many employees, especially those most affected by such ratings are not very enthusiastic about them. There are many critics of these appraisals including labor unions and managers.

#### Labour Unions

Labor unions represent 11% (7% in the private sector) of the work force in the United States. In some cases they may require that seniority be taken as one of the main criteria for promotion. However, length of job experience may not always be a reliable indication of the ability to perform a higher level job. That is why some employers give senior people the first opportunity for promotion, but the employer may seek to further qualify the employee for that promotion because of their abilities (not solely because of length of service). Performance appraisals may provide a basis for assessment of employee merit as a component of these decisions.

#### Managers

Managers who have had unsatisfactory experiences with inadequate or poorly designed appraisal programs may be skeptical about their usefulness.

- Some managers may not like to play the role of a judge and be responsible for the future of their subordinates.
- They may be uncomfortable about providing negative feedback to the employees.
- This tendency can lead them to inflate their assessments of the workers’ job performance, giving higher ratings than deserved.

### 2. Conduct

Human resource management (HRM) conducts performance management. Performance management systems consist of the activities and/or processes embraced by an organization in anticipation of improving employee performance, and therefore, organizational performance. Consequently, performance management is conducted at the organizational level and

the individual level. At the organizational level, performance management oversees organizational performance and compares present performance with organizational performance goals. The achievement of these organizational performance goals depends on the performance of the individual organizational members. Therefore, measuring individual employee performance can prove to be a valuable performance management process for the purposes of HRM and for the organization. Many researchers would argue that "performance appraisal is one of the most important processes in Human Resource Management".

The performance management process begins with leadership within the organization creating a performance management policy. Primarily, management governs performance by influencing employee performance input (e.g. training programs) and by providing feedback via output (i.e. performance assessment and appraisal). "The ultimate objective of a performance management process is to align individual performance with organizational performance". A very common and central process of performance management systems is performance appraisal (PA). The PA process should be able to inform employees about the "organization's goals, priorities, and expectations and how well they are contributing to them".

### **3. Methods of Collecting Data**

There are three main methods used to collect performance appraisal (PA) data: objective production, personnel, and judgmental evaluation. Judgmental evaluations are the most commonly used with a large variety of evaluation methods.

#### **1. Objective Production**

The objective production method consists of direct, but limited, measures such as sales figures, production numbers, the electronic performance monitoring of data entry workers, etc. The measures used to appraise performance would depend on the job and its duties. Although these measures deal with unambiguous criteria, they are usually incomplete because of criterion contamination and criterion deficiency. Criterion contamination refers to the part of the actual criteria that is unrelated to the conceptual criteria. In other words, the variability in performance can be due to factors outside of the employee's control. Criterion deficiency refers to the part of the conceptual criteria that is not measured by the actual criteria. In other words, the quantity of production does not necessarily indicate the quality of the products. Both types of criterion inadequacies result in reduced validity of the measure. Regardless of the fact that objective production data is not a complete reflection upon job performance, such data is relevant to job performance.

#### **1. Happy- Productive Worker Hypothesis**

The happy-productive worker hypothesis states that the happiest workers are the most productive performers, and the most productive performers are the happiest workers. Yet, after decades of research, the relationship between job satisfaction and job performance produces only a weak positive correlation. Published in 2001 by *Psychological Bulletin*, a meta-analysis of 312 research studies produced an uncorrected correlation of 0.18. This correlation is much weaker than what the happy-productive worker hypothesis would predict.

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### Personnel

The personnel method is the recording of withdrawal behaviors (i.e. absenteeism, accidents). Most organizations consider unexcused absences to be indicators of poor job performance, even with all other factors being equal; however, this is subject to criterion deficiency. The quantity of an employee's absences does not reflect how dedicated he/she may be to the job and its duties. Especially for blue-collar jobs, accidents can often be a useful indicator of poor job performance, but this is also subject to criterion contamination because situational factors also contribute to accidents. Once again, both types of criterion inadequacies result in reduced validity of the measure. Although excessive absenteeism and/or accidents often indicate poor job performance rather than good performance, such personnel data is not a comprehensive reflection of an employee's performance.

### 2. Judgemental Evaluation

Judgmental evaluation appears to be a collection of methods, and as such, could be considered a methodology. A common approach to obtaining PAs is by means of raters. Because the raters are human, some error will always be present in the data. The most common types of error are leniency errors, central tendency errors, and errors resulting from the halo effect. Halo effect is characterized by the tendency to rate a person who is exceptionally strong in one area higher than deserved in other areas. It is the opposite of the Horns effect, where a person is rated as lower than deserved in other areas due to an extreme deficiency in a single discipline. These errors arise predominantly from social cognition and the theory in that how we judge and evaluate other individuals in various contexts is associated with how we "acquire, process, and categorize information". An essential piece of this method is rater training. Rater training is the "process of educating raters to make more accurate assessments of performance, typically achieved by reducing the frequency of halo, leniency, and central-tendency errors". Rater training also helps the raters "develop a common frame of reference for evaluation" of individual performance. Many researchers and survey respondents support the ambition of effectual rater training. However, it is noted that such training is expensive, time consuming, and only truly functional for behavioral assessments.

Another piece to keep in mind is the effects of rater motivation on judgmental evaluations. It is not uncommon for rating inflation to occur due to rater motivation (i.e. "organizationally induced pressures that compel raters to evaluate ratees positively"). Typically, raters are motivated to give higher ratings because of the lack of organizational sanction concerning accurate/inaccurate appraisals, the rater's desire to guarantee promotions, salary increases, etc., the rater's inclination to avoid negative reactions from subordinates, and the observation that higher ratings of the ratees reflect favorably upon the rater.

The main methods used in judgmental performance appraisal are:

- **Graphic Rating Scale:** graphic rating scales (see scale (social sciences)) are the most commonly used system in PA. On several different factors, subordinates are judged on 'how much' of that factor or trait they possess. Typically, the raters use a 5- or 7-point scale; however, there are as many as 20-point scales.
- **Employee-Comparison Methods:** rather than subordinates being judged against pre-established criteria, they are compared with one another. This method eliminates central tendency and leniency errors but still allows for halo effect errors to occur. The rank-order method has raters ranking subordinates from "best" to "worst", but how truly good or bad one is on a performance



dimension would be unknown. The paired-comparison method requires the rater to select the two "best" subordinates out of a group on each dimension then rank individuals according to the number of times each subordinate was selected as one of the "best". The forced-distribution method is good for large groups of rates. The raters evaluate each subordinate on one or more dimensions and then place (or "force-fit", if you will) each subordinate in a 5 to 7 category normal distribution. The method of top-grading can be applied to the forced distribution method. This method identifies the 10% lowest performing subordinates, as according to the forced distribution, and dismisses them leaving the 90% higher performing subordinates.

- **Behavioral Checklists and Scales:** behaviors are more definite than traits. The critical incidents method (or critical incident technique) concerns "specific behaviors indicative of good or bad job performance". Supervisors record behaviors of what they judge to be job performance relevant, and they keep a running tally of good and bad behaviors. A discussion on performance may then follow. The behaviorally anchored rating scales (BARS) combine the critical incidents method with rating scale methods by rating performance on a scale but with the scale points being anchored by behavioral incidents. Note that BARS are job specific. In the **behavioral observation scale (BOS)** approach to performance appraisal, employees are also evaluated in the terms of critical incidents. In that respect, it is similar to BARS. However, the **BOS** appraisal rate subordinates on the *frequency* of the critical incidents as they are observed to occur over a given period. The ratings are assigned on a five-point scale. The behavioral incidents for the rating scale are developed in the same way as for BARS through identification by supervisors or other subject matter experts. Similarly, **BOS** techniques meet equal employment opportunity because they are related to actual behavior required for successful job performance.
- 3. **Normalisation of Performance Appraisal:** Normalization is the process of review of the ratings each group as a whole to ensure the ratings are as per the recommended norms and the percentages are generally decided by management.
- 4. **Organisational Citizenship Behaviour:** Also referred to as contextual behavior, prosocial behavior, and extra-role behavior, organizational citizenship behavior (OCB) consists of employee behavior that contributes to the welfare of the organization but is beyond the scope of the employee's job duties. These extra-role behaviors may help or hinder the attainment of organizational goals. Research supports five dimensions of OCB: altruism, conscientiousness, courtesy, sportsmanship, and civic virtue.<sup>[51]</sup> Researchers have found that the OCB dimensions of altruism and civic virtue can have just as much of an impact on manager's subjective evaluations of employees' performances as employees' objective productivity levels. The degree to which OCB can influence judgments of job performance is relatively high. Controversy exists as to whether OCB should be formally considered as a part of performance appraisal (PA).
- 5. **Employee Reactions:** Numerous researchers have reported that many employees are not satisfied with their performance appraisal (PA) systems. Studies have shown that subjectivity as well as appraiser bias is often a problem perceived by as many as half of employees. Appraiser bias, however, appears to be perceived as more of a problem in government and public sector organizations. Also, according to some studies, employees wished to see changes in the PA system by making "the system more objective, improving the feedback process, and increasing the frequency of review." In light of traditional PA operation defects, "organizations are now

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increasingly incorporating practices that may improve the system. These changes are particularly concerned with areas such as elimination of subjectivity and bias, training of appraisers, improvement of the feedback process and the performance review discussion." According to a meta-analysis of 27 field studies, general employee participation in his/her own appraisal process was positively correlated with employee reactions to the PA system. More specifically, employee participation in the appraisal process was most strongly related to employee satisfaction with the PA system. Concerning the reliability of employee reaction measures, researchers have found employee reaction scales to be sound with few concerns through using a confirmatory factor analysis that is representative of employee reaction scales.

**6. Developments in Information Technology:** Computers have been playing an increasing role in PA for some time (Sulsky&Keown, 1998). There are two main aspects to this. The first is in relation to the electronic monitoring of performance, which affords the ability to record a huge amount of data on multiple dimensions of work performance (Stanton, 2000). Not only does it facilitate a more continuous and detailed collection of performance data in some jobs, e.g. call centres, but it has the capacity to do so in a non-obvious, covert manner. The second aspect is in mediating the feedback process, by recording and aggregating performance ratings and written observations and making the information available on-line; many software packages are available for this. The use of IT in these ways undoubtedly helps in making the appraisal process more manageable, especially where multiple rating sources are involved, but it also raises many questions about appraisees' reactions and possible effects on PA outcomes. Mostly, the evidence so far is positive.

### Sampling

- Problem: When the rater evaluates the performance of an employee relying only on a small percentage of the amount of work done.
- Example: An employee has to do 100 reports. Then, the manager takes five of them to check how has the work been done, and the manager finds mistakes in those five reports. Therefore the manager will appraise the work of the employee as a "poor" one, without having into account the other 95 reports that the manager has not seen, that have been made correctly.
- Solution: To follow the entire track of the performance, not just a little part of it.

We have been looking one by one at the possible solutions to each of the situations, which are also complicated to put into practice, thus here we have a general solution that could be apply to all the possible rating errors. It is difficult to minimized rater errors, since we are humans and we are not objective. Moreover, sometimes, we are not aware of our behavior of having preferences towards people but there are some tools in order to have a more objective information as using available technology to track performances and record it which enables manager to have some objective information about the process. Consultant Marcus Buckingham and executive Ashley Goodall, reporting on a large-scale Deloitte performance management survey on Harvard Business Review, went as far as to say that, contrary to the assumptions underlying performance rating, the rating mainly measured the unique rating tendencies of the rater and thus reveals more about the rater than about the person who is rated. They referred to this as the *idiosyncratic rater effect*. In view of this effect, they advocate a radically different approach to performance management. In their

scenario, 360-degree feedback and similar time-intensive exercises are replaced by team leaders' "performance snapshots" that focus on what they would *do* with each team member rather than what they *think* of that individual, and yearly appraisals of past performance are replaced by weekly check-ins among team leader and team member, preferably initiated by the team member, that focus on current and upcoming work.

### Peer and Self Assessments

While assessment can be performed along reporting relationships (usually top-down), net assessment can include peer and self-assessment. Peer assessment is when assessment is performed by colleagues along both horizontal (similar function) and vertical (different function) relationship. Self-assessments are when individuals evaluate themselves. There are three common methods of peer assessments. *Peer nomination* involves each group member nominating who he/she believes to be the "best" on a certain dimension of performance. *Peer ratings* has each group member rate each other on a set of performance dimensions. *Peer ranking* requires each group member rank all fellow members from "best" to "worst" on one or more dimensions of performance.

- **Self-assessments:** for self-assessments, individuals assess and evaluate their own behavior and job performance.
- **Peer assessments:** members of a group evaluate and appraise the performance of their fellow group members. There it is common for a graphic rating scale to be used for self-assessments. Positive leniency tends to be a problem with self-assessments. Peer assessments from multiple members of a group are often called crowd-based performance reviews, and solve many problems with peer assessments from only one member.
- **360-degree feedback:** 360-degree feedback is multiple evaluations of employees which often include assessments from superior(s), peers, and one's self.
- **Negotiated performance appraisal:** The negotiated performance appraisal (NPA) is an emerging approach for improving communication between supervisors and subordinates and for increasing employee productivity, and may also be adapted to an alternate mediation model for supervisor-subordinate conflicts. A facilitator meets separately with the supervisor and with the subordinate to prepare three lists. What employees do well, where the employee has improved in recently, and areas where the employee still needs to improve. Because the subordinate will present his or her lists first during the joint session, this reduces defensive behaviors. Furthermore, the subordinate comes to the joint session not only prepared to share areas of needed improvement, but also brings concrete ideas as to how these improvements can be made. The NPA also focuses very strongly on what employees are doing well, and involves a minimum of twenty minutes of praise when discussing what the employee does well. The role of the facilitator is that of a coach in the pre-caucuses, and in the joint sessions the supervisor and subordinate mostly speak to each other with little facilitator interference.

In general, optimal PA process involves a combination of multiple assessment modalities. One common recommendation is that assessment flows from self-assessment, to peer-assessment, to management assessment - in that order. Starting with self-assessment facilitates avoidance of conflict. Peer feedback ensures peer accountability, which may yield better results than accountability to management. Management assessment comes last for need of recognition by authority and avoidance of conflict in case of disagreements. It is generally recommended that PA is done in shorter cycles to avoid high-stakes discussions, as is usually the case in long-cycle appraisals.

## **IMPACT OF SOCIAL MEDIA AMONG STUDENTS**

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### **Abstract**

*This study is trying to give a complete overview of Using Social Media websites is among the most common activities of today's children & Adolescents. The rise of Social Media-content created by internet users and hosted by popular sites such as Facebook, Twitter, My space. Gaming sites and virtual worlds such as Club penguin, second Life and video sites such as YouTube& blogs. Such sites offer today's youth a portal for entertainment & communication and have grown exponentially in recent years.*

**Key Words:** Social Media, Communication, Information, Positive, Students

### **Introduction**

#### **Meaning of Social Media**

Social Media are Computer-Mediated Technologies that allow the creating & sharing of information, ideas, career interests & other forms of expression via Virtual communities& Networks. Interned based software & interfaces that allow individuals to interact with one another, exchanging details about their lives such as biographical data, professional information, personal photos & Up-to-the-minute thoughts.

#### **Definition of Social Media**

According to Merriam Webster, Social Media defined as "forms of electronic communication (as websites for social Networking and microblogging) through which users Create online communities to share information, ideas, Personal Messages, and other content (as videos)".

#### **List of Social Medias**

**Facebook** is a popular free social networking website that allows registered users to create profiles, upload photos and video, send messages and keep in touch with friends, family, colleagues. According to statistics from the Nielsen Group, internet users within the United States spend more time on Facebook than any other website.

**Twitter** is a free microblogging service that allows registered members to broadcast short posts called tweets. Twitter members can broadcast tweets and follow other users' tweets by using multiple platforms and devices.

**Google+** (pronounced *Google plus*) is **Google's** social networking project, designed to replicate the way people interact offline more closely than is the case in other social networking services. The project's slogan is "Real-life sharing rethought for the web."

**Wikipedia** is a free, open content online encyclopedia created through the collaborative effort of a community of users known as Wikipedians. Anyone registered on the site can create an article for publication; registration is not required to edit articles. Wikipedia was founded in January of 2001.

**LinkedIn** is a social networking site designed specifically for the business community. The goal of the site is to allow registered members to establish and document networks of people they know and trust professionally.

**Reddit** is a social news website and forum where stories are socially curated and promoted by site members. The site is composed of hundreds of sub-communities known as “subreddits.” Each subreddit has a specific topic such as technology, politics or music. Reddit site members also known as, “redditors,” submit content which is then voted upon by other members. The goal is to send well-regarded stories to the top of the site’s main thread page.

**Pinterest** is a social curation website for sharing and categorizing images found online. Pinterest requires brief descriptions but the main focus of the site is visual. Clicking on an image will take you to the original source, so, for example, if you click on a picture of a pair of shoes, you might be taken to a site where you can purchase them. An image of blueberry pancakes might take you to the recipe; a picture of a whimsical birdhouse might take you to the instructions.

### Review of Literature

**Khan, Shahzad** studied the “Impact of Social Networking Websites on students”. The author of this study was to explore the impact of social networking websites on students. The author also evaluate why mostly people use social networking websites. Both primary and secondary data were collected and the primary data were collected through questionnaire method. 168 respondents were randomly selected from Khyber paktoonkhwa, peswar, Pakistan. Respondents were only students who filled a questionnaire and collected data were carefully assessed with the help of statistical software i.e. SPSS software. This research study use descriptive statistic and cross tabs analysis to find out the result. The findings of the result showed that the students whose age range from 15 to 25 mostly use networking websites for entertainment. 60% of male students commonly used social networking websites for knowledge. Graduate students generally prefer social networking websites for entertainment. The analysis also showed that 67% people used social networking websites due to influence of their friends.

**Kuppuswamy, Sunita and Shankar Narayan, P.B (2010)**, “The impact of Social Networking Websites on the Education Youth” studied the impact of Social Networking sites on Education. The study argues that these social networking websites distract students from their studies. but, these websites can be useful for education based on sound pedagogical principles and proper supervision by the teachers, Moreover, the research concludes that social networking websites have both positive and negative impact on the education of the youth, depending on one’s interest to use it in a positive manner for his/her education or vice-versa.

**Tayseer, Mohamed (2014)**, “Social Network: Academic and Social Impact on college students” studied the effect of using social networks, e.g. Facebook and Twitter on students engagement in both academic and social aspects. The sample consists of 30 freshmen students in the Petroleum Institute excluding female due to cultural and traditional reasons. The use survey method as the main data gathering instrument. The survey was used to collect quantitative data. Findings indicated that students with high GPA spend more time using social networks while students with low GPA spend less time, more than two-third of the respondents do not share, information about lectures and homework and further more than half of the respondents do not

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even look the college related information through social network. The study concluded that there is a correlation between students GPAs and their usage of social Networks.

### **Research Methodology**

#### **Objective of the Study**

- To identify the usage level of social media.
- To know whether social media is influencing in a positive or negative manner.
- To determine how social media affects student academic performance.
- To evaluate the attitude of students towards social media and measure the spending time on social media.

### **Impact of Social Media**

#### **Advantages of social media**

**Connecting the World** - Just imagine, how we would be without social networking sites like Facebook, Twitter, Google Plus, LinkedIn, etc. No matter if we are searching for that our school buddy, college mate, roommate, there is no easier way to connect with them than through the social networking sites. Without social networking sites, we won't be in better relationship with our old friends and colleagues. Because, this is busy world and people running here and there. So we don't have time to think about old friends. But social networking sites do that job easily and connect this whole world in a specific place.

**Get to Know What Happen Around the World** - This is another great advantage for everyone. Through social networking sites, people share what they know or what they see. So everyone can get to know about what happening around the world. Some people don't want to watch the news. But they may get to know all the news via social networking sites. This Globe is large and we don't even know what happen right next to our country. But these social networking sites helps to read and watch that hidden news around the world.

**Advertising** - Nowadays, business people love to work with every social networking sites especially FaceBook. Because social networking sites are the best platform for business people as they can advertise their own product here. In this current world, almost all the people using social networking sites and they often visit those sites. So it's very easy to make wer own product reach to the people via these social networking sites.

**Relaxation** - This is another great advantage to having any social networking sites. As we all know this is the busy world. People run here and there for earning money. So they got tired at some point. So they must need a relaxation for at least some time. These social networking sites do that job perfectly. When we go through social networking sites, our mind gets some relaxation. Some video clips and images shared by our friend may make we laugh and our brain gets some relaxation.

**Information Sharing** - There are some poets, rappers, actors, and many other talented people living around the world without knowing by everyone. For those people, social networking sites are the best platform in order to express their extraordinary talents. They have to make use of these social networking sites which bring them to get a chance from category professionals.

**Best Job Search Platform** - This is another great advantage for people who looking for work opportunities. All the social networking sites are good for job search and LinkedIn is the best among

them. As we all know, LinkedIn has more work opportunities. This social networking site arises only for people who searching work opportunities and it running very successfully.

### 1. **Disadvantages of social networking**

**No More Face to Face Connections** - A huge advantage of the social networking sites have the reverse side effect too. It's ridiculous. Once upon a time, we met our friends and relations face to face as much as possible. Because that's the only way to meet them. But now things changed completely. After the rise of social networking communities, people prefer to meet their friends and relations via social networking sites. This would definitely affect the true love between two people.

**Lose our Valuable Time** - This is straight forward and we all know about this. When we enter into any social networking site, we will be addicted to those communities. So we definitely lose our valuable time. In early days, kids go out and play which help to build their physical activities. But, nowadays most of the kids addicted to social networking sites and they always sit in front of the laptop. So here, they lose their valuable time.

**We Can't Keep our Privacy 100%** - Any of the social media networking sites has not given us 100% guarantee for privacy. Even though they try to protect us, still there are some holes which bring privacy out.

**Affect Learning Habit Of Students** - Because of these social networking sites, students affect the most than others. Because they lose their interest in studying. Not only studying but also they lose their healthy activities. Social networking sites are exactly same as drugs. Once we enter into it, it's really hard to come out from there. Some students use social networking sites all the day even in the exam times. Just imagine, how much these students affected by social networking communities.

**Raised of Cyber bullying and Criminal Activities** - Use of social networks can expose individuals to harassment or inappropriate contact from others. Unless parents are diligent to filter the Internet content to which their families are exposed, children could be exposed to pornography or other inappropriate content. The Pew Centre, in their Cyber bullying 2010 report, states that 93 percent of teens aged 12 to 17 use the Internet. Of that, 93 percent, 63 percent of them use the Internet daily. Such high usage increases the risk of their being victims of cyber bullying or other cyber crimes.

**Affect Human Health** - Sitting on the chair for a whole day would definitely affect the human body. Social networking sites do this job perfectly. Instead of playing outside or go to jogging/Gym or do some physical activities, we are sitting in front of the laptop. Just think, how were health would affect. This is the reason why people face more health issues in this current world.

## **Functions of Social Media**

### **Identity Management**

Goffman views social interaction as human performance, which he compares to the performance in a theatre, and which is shaped by the audience and the environment. Because People are constantly analysed by others they construct consciously a social identity which they present to their counterpart. Thus in our context identity management means managing the availability of identity information.

**Expert Finding:** In this context one has to distinguish between the possibility to search the network according to different criteria (e.g. Name, Interests, company) and the possibility to pro

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activity receive recommendations of interesting contacts by the social media services.

### **Context Awareness:**

Context awareness is the awareness of a common context with other people. This can be information about common contacts, about common interest, about the same place it contributes a lot to creating common trust among the users, which is essential for a successful collaboration.

### **Contact Management:**

Contact Management combines all functionalities that enable the maintenance of the (digital) personal network. Examples for functions enabling contact management in social media are: Tagging people, Access restriction to profile.

### **Network Awareness:**

The awareness of the activities (and/or the current status and changes of the latter) of the contacts in the personal network is supported by functionalities, too. These functionalities enable indirect communication via awareness Examples for functions enabling network awareness in social media are News feed, Birthdays – Box.

### **Conclusion:**

This study revealed that there are many advantages and disadvantages by using social media, everything is depends upon the kind of usage of the students. The usage time of social media by the students is high but in that also they are sharing many more positive information to one to one. Majority of the students were using the social media in a good and positive way and it didn't affect their academic performances too. This study concludes, there is a positive impact only seen from the student side, because they are properly using and gets more benefits through Social media. "Social Media is a Good Servant and Good Master".

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## **TRENDS IN COMPENSATION MANAGEMENT**

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### **Introduction**

#### **Difference between Wage & Salary**

- **Wages:** Wages are compensation. This includes basic wages, allowances, bonuses etc. On the employers' points of view, wages form that part of cost of production which is attributed as compensation paid to labor. Wages are paid in the form of time rate or piece rate to the workers, who are directly involved in the production or commercial activities.
- **Salary:** This is compensation paid to the indirect labor in the form of cash. Indirect labor involves supervisors, managers and supporting staff like office assistants, clerks, etc. Salaries are paid in the form of time rate, mostly on monthly basis.

#### **Wages**

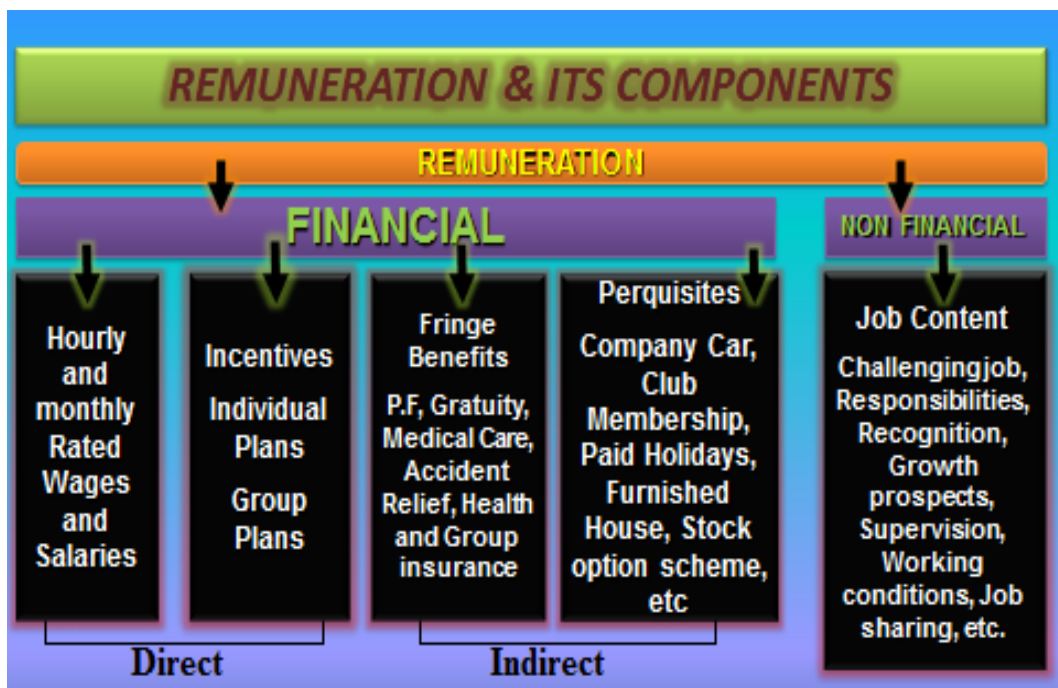
On the basis of the employee needs and ability of the organization, there are various kinds of wages. Wages are generally four types:

- **Subsistence wages**
- **Minimum Wages**
- **Fair Wages**
- **Living Wages**

- 1) **Subsistence Wages:** This is level of wage below the minimum level which can lead inhuman life to the employees.
- 2) **Minimum Wages:** This is a wage level fixed by government which is considered adequate, taking into account the cost of living. All the organizations are bound to follow this direction so that no employee is paid a wage less than the minimum wage fixed by government irrespective of grade, class or nature of work.
- 3) **Fair Wages:** This is fixed by employer. This level of wage varies from industry to industry. The main criteria are the capacity of payment. Fair wage is a wage above the minimum wage but below the living wage.
- 4) **Living Wages:** Living wage is one which should enable the earner to provide for himself and his family not only the bare essentials of food, clothing and shelter, but a measure of frugal comfort, including education for his children, protection against ill health, requirement of essential social needs and a measure of insurance against the more important misfortune including old age.

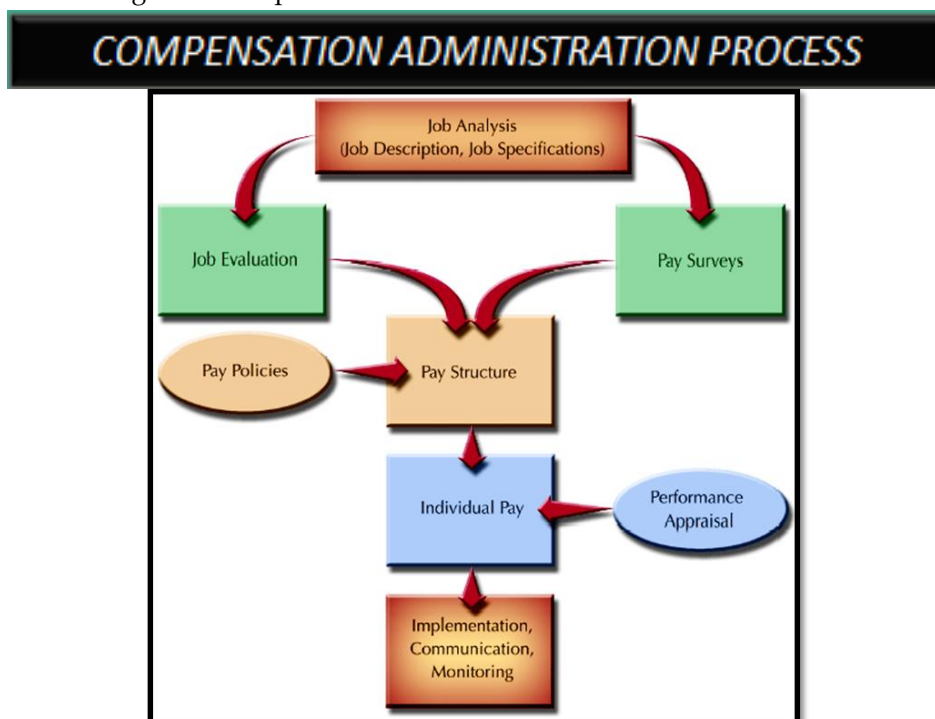
#### **Remuneration**

Remuneration is a general term covering the monetary and related entitlements of employees - paid by employers in return for the work of employees.



### Compensation

Compensation is a systematic approach to providing monetary & non-monetary value to employees in exchange for work performed.



**Job Analysis:** It contains two parts: Job Description & Job Specification. This can help to know about the duties and responsibilities will be covered by the specific job and also the quality of the people engaged in that job. This is necessary to set a rationale pay structure for a specific position.

**Job Evaluation:** The systematic determination of the relative worth of jobs within an organization.

### **Incentives Compensation**

Incentives can be added to the basic pay structure to provide rewards for performance. It may be 3 types:

#### **1. Individual Incentives include**

- **merit pay plans** (annual increase, based on performance)
- **piecework plans** (pay based on number of units produced typically in a specified time period.)
- time-savings bonuses and commissions

**2. Group Incentives :** Incentives can be offered to groups, rather than individuals, when employees' tasks are interdependent and require cooperation.

**3. Plant-wide Incentives:** Direct employee efforts toward organizational goals (such as cost reduction)

### **Compensation & Benefits Package**

- **Base Salary** - the fixed amount to be paid
- **Incentives** - additional variable pay based on performance against objectives
- **Protectives** - programs which insure employees against loss
- **Capital Accumulation** - programs that provide the opportunity to establish a personal estate (equity /stock plan)
- **Retirement Income** - plans that defer income for services rendered to a later payment date
- **Perquisites** - company paid allowances beyond direct pay(Housing, Car, Leave travel, etc.)
- **Paid Time Off** - vacations, holidays, maternity leave, etc.

### **Emerging Pay Systems**

- Pay for knowledge and skills
- Pay for competencies
- Performance based pay
- Incentive pay systems
- Broadbanding = rather than climb up through a series of grades, employees might spend most of their careers in a single band moving laterally and acquiring new knowledge and competence. Useful in 'boundaryless' organisation.

### **The 3-P Compensation Concept**

- Pay for Position
- Pay for Person
- Pay for Performance

### **Pay For Position**

- **Pay for position, Position based pay or Job-based pay**, pays employees for the job to which they are assigned, regardless of the skills they possess.
- In other words, pay is centred on the job, job duties or position and not on the person.

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- pay is based on education and.
- Employee compensation is based on qualifications, education, experience & seniority

### Pay For Person

- It considers the market demand of a person's capabilities, person's unique skills and experience
- **Pay for Person or Person focused pay or Skill-based pay or Knowledge-based pay or Competency-based pay structures** link pay to the depth or breadth of the skills, abilities, competency and knowledge a person acquires and applies to the work.
- Pay for person takes into account the demonstrable characteristics of a person, including knowledge, skills, competency and behaviors, that enable performance

### Pay For Performance

- The criteria for **performance-related pay** scheme may be based on individual, group or organizational performance, or on a mixture of them.
- Individual-based criteria would require
  - individual goal-setting,
  - an appropriate performance appraisal system
  - individual training to increase job knowledge & skills and
  - the individual should have a large measure of control over his/her own performance.
- Team-based criteria are appropriate where individual performance is difficult to measure.

## **A STUDY ON SWOT ANALYSIS OF KUMBAKONAM MILK PRODUCER'S CO-OPERATIVE SOCIETY**

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The Dairy Industry has developed on line somewhat different from that in other advance countries. On account of the increasing pressure on the dairy industry, they have also come to depend mainly on milk collected from small producers in the rural areas, either by their agents or by the co-operatives. The only large farms now in existence are military farms owned and run by the Central and State Governments which serve mainly as centres for research and extension and not as commercial ventures and started selling liquid milk to some institutions and military establishments. Due to the absence of a system of dairying based on commercial rural milk production, collection, bulk transportation, processing and marketing of milk and milk products to meet the demand of the growing urban population, the gap between demand and supply in cities continued to grow and acute shortage worse felt in many areas. Private vendors took full advantage of such shortages by large scale adulteration of milk and also charged high prices for poor quality milk. On account of the general exploitation by the private vendors and as a measure for counteraction these acute shortages, a few cooperative milk supply societies are started during the second and third decades of this century, but these societies are invariably consumer oriented they did not try to organize the producers or to provide facilities and inputs for increasing milk production.

The Government of India, Ministry of Agriculture constituted a National Dairy Development Board (NDDB) on 26th September 1965 to organize and to provide technical guidance to various states in setting up projects for overall development of milk production, processing and marketing in the country and provide, technical and consultancy services for all relevant aspects. Most of the milk is produced in rural areas, while the profitable market for milk and its products is urban. In view of these peculiar problems it has rightly recognized by the planning commission that "producer cooperatives should be organized in villages to supply milk to the urban milk supply schemes, milk powder making plants and to the consumers". This would not only ensure adequate supplies of fresh milk to the urban consumers but also bring profitable returns to the producers. Dairy co-operatives are very essential to Indian conditions because of the following reasons. Most of the milk is produced in rural areas the profitable market is based in urban areas.

Most of the produced in small quantities by small farmers, which leads to difficulties in the transportation to the consuming areas. Lack of suitable transport facilities, non-availability of veterinary services in the rural areas, inadequacy of properly organized system of processing and marketing and lack of cheap and nutritious feeds and fodder. The producer has often no direct link

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with the consumer and hence, the price received by him is rather low. There are on medium or large privately owned dairy farms because of the increasing pressure on land. During the second world war, the increased demand for milk and milk products for the army and acute shortage of milk in various urban areas gave a new push to the organization of milk co-operatives. As a result number of milk supply societies are registered in different parts of the country, particularly in Bombay and madras state. Most of the cities, however, continued to be consumer oriented. Around this the government of India also decided to make arrangements for the supply of hygienic milk urban areas and this resulted in the organized collection of urban for distribution. This is the first organized link-up of rural milk-shed with major urban markets.

### **Significance of the Dairy Development Department in India**

- (1) Assure a remunerative price for the milk produced by the member of the milk producer's co-operative societies through a stable, steady and well organized market support.
- (2) Distribution of quality milk and milk products the consumers at reasonable price.

Keeping these objectives in mind, a number of activities are undertaken by the dairy development department viz., provision of free veterinary health to cover all animals owned by the members of milk cooperatives, implementation of Artificial Insemination program, supply of balanced cattle feed and inculcation of farmers with the modern animal husbandry methods and practices. Provision of necessary infrastructure facilities for marketing milk and milk products and supply of quality milk the consumer has been made by way of establishing new chilling centre's pasteurization plants and adoption of modern processing system.

### **Dairy Co-operative development in Tamil Nadu**

Start level co-operative federation which would be able to support and guide district unions, absorb surplus milk available with the district unions for distribution in the big cities and also convert any surplus milk received from the district unions into milk powder and other products either for sale, or for Low-water use for recombination in times of scarcity, particularly during the lean season. It is important that the federation should have control over the dairies and the market in at least one major city which could be absorbed primarily on this consideration of the availability of a ready market within its area of operation. It is important to note that, this is only an outline organizational pattern and there should be no rigidity in applying it.

### **SWOT Analysis of Co-Operative Milk Producer's Society**

Strengths: Demand profile: Absolutely optimistic.

Margins: Quite reasonable, even on packed liquid milk.

Flexibility of product mix: Tremendous. With balancing equipment, you can keep on adding to your product line.

Availability of raw material: Abundant. Presently, more than 80 per cent of milk produced is flowing into the unorganized sector, which requires proper channelization.

Technical manpower: Professionally-trained, technical human resource pool, built over last 30 years.

**Weaknesses:**

**Perishability:** Pasteurization has overcome this weakness partially. UHT gives milk long life. Surely, many new processes will follow to improve milk quality and extend its shelf life.

**Lack of control over yield:** Theoretically, there is little control over milk yield. However, increased awareness of developments like embryo transplant, artificial insemination and properly managed animal husbandry practices, coupled with higher income to rural milk producers should automatically lead to improvement in milk yields.

**Logistics of procurement:** Woes of bad roads and inadequate transportation facility make milk procurement problematic. But with the overall economic improvement in India, these problems would also get solved.

**SWOT MATRIX OF Milk Producer's Co-Operative Society, Kumbakonam.**

**Problematic distribution:** Yes, all is not well with the distribution. But then if ice creams can be sold virtually at every nook and corner, why can't we sell other dairy products too? Moreover, it is only a matter of time before we see the emergence of a cold chain linking the producer to the refrigerator at the consumer's home! **Competition:** With so many newcomers entering this industry, competition becomes tougher day by day. But then competition has to be faced as a ground reality. The market is large enough for many to carve out their niche.

**Opportunities:**

"Failure is never final, and success never ending". DrKurien bears out this statement perfectly. He entered the industry when there were only threats. He met failure head-on, and now he clearly is an example of 'never ending success'! If dairy entrepreneurs are looking for opportunities in India, the following areas must be tapped: **Value addition:** There is a phenomenal scope for innovations in product development, packaging and presentation. Given below are potential areas of value addition. Steps should be taken to introduce value-added products like shrikhand, ice creams, paneer, khoa, flavored milk, dairy sweets, etc. This will lead to a greater presence and flexibility in the market place along with opportunities in the field of brand building. Addition of cultured products like yoghurt and cheese lend further strength - both in terms of utilization of resources and presence in the market place. A lateral view opens up opportunities in milk proteins through casein, caseinates and other dietary proteins, further opening up export opportunities. Yet another aspect can be the addition of infant foods, geriatric foods and nutrition. **Export potential:** Efforts to exploit the export potential are already on. Amul is exported to India, Bangladesh, Sri Lanka, Nigeria, and the Middle East. So the opportunities should improve the financial performance of the society.

**Threats:**

**Milk vendors, the un-organized sector:** Today milk vendors are occupying the pride of place in the industry. Organized dissemination of information about the harm that they are doing to producers and consumers should see a steady decline in their importance. The study of this SWOT analysis shows that the 'strengths' and 'opportunities' far outweigh 'weaknesses' and 'threats'. Strengths and opportunities are fundamental and weaknesses and threats are transitory. Any investment idea can do well only when you have three essential ingredients: entrepreneurship (the

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ability to take risks), an innovative approach (in product lines and marketing) and values (of quality/ethics). The Indian dairy industry, following its delicensing, has been attracting a large number of entrepreneurs. Their success in dairying depends on factors such as an efficient yet economical procurement network, hygienic and cost-effective processing facilities and innovativeness in the market place. All that needs to be done is: to innovate, convert products into commercially exploitable ideas. All the time keep reminding yourself: Benjamin Franklin discovered electricity, but it was the man who invented the meter that really made the money!

### **SWOT analysis**

The SWOT analysis tool was originated by Albert S Humphrey in the 1960s, as a powerful strategic tool. SWOT Analysis is a useful technique for understanding the Strengths and Weaknesses of an organization, and for identifying both the Opportunities open for development, and the Threats of the organization to face. Used in a business, it helps to carve a sustainable niche in the market. Used in a personal context, it helps to develop your career in a way that takes best advantage of your talents, abilities and opportunities. The SWOT framework, uncovers the opportunities by understanding the weaknesses of the organization, manage and eliminate the threats, and thereby increasing the strengths of the company. By looking at the company, and the competitors, the SWOT analysis, can start to craft a strategy that helps to distinguish the company from its competitors, so that the company can compete successfully in the market.

### **Statement of the problem**

Humans being life is begin with milk and end with milk. Milk is perishable commodity and the surplus cannot be stored for a long time. The problem that the kumbakonam cooperative milk the operation, Low owned capital, Low working capital, poor credit facilities, lack of funds, buildings, and equipment, lack of financial reserve, lack of production and less price due to subsidies, Low provision of loan in society or govt. for purchasing cattle, Low incentives or bonus for supplying milk, Lack of improved equipments, and Lack of technical guidance etc.,

The present research attempts to identify the factors internally or externally affecting the operation of kumbakonam cooperative milk producers' union Limited and suggests an appropriate model to understand the mediating effect on the performance of kumbakonam cooperative milk producers' union Limited.

### **Significance of the Study**

In this research, the aim of the researcher is to conceptualize various financial factors in evaluating the efficiency of kumbakonam cooperative milk producers' union Limited. In this study the kumbakonammilk producers' union limited has been selected on the comprehensive of the performance appraisal analysis with help of SWOT framework. This collective data analysis is used for distinguishing the kumbakonam milk producers' union limited milk society from other co-operative milk societies, in competition and development.

### **Research Study Period**

The Research is confined to a performance appraisal of the Tanjore districtkumbakonam co-operative milk producers' union Ltd and the research has covered a period of ten only i.e. from 2006 to 2007 to 2015 – 2016.



### Limitations of the Study

- It is important that the finding of this empirical research be evaluated in the background of certain along, since acknowledgement of these limitations could suggest new directions for future research.
- Data on both dependent and independent variables were collected from the published reports and from public domain. Findings, therefore, will represent a casual approach.
- Some researchers argue that adjustment to the financial statements may lack comparability, but such adjustments indeed accepted by the accounting professionals and for cross-industry comparison. It is a useful and effective methodology to employ such an approach, as statutes bar publication or dissemination of union sensitive information.

On the basis of key questions, the SWOT matrix is predefined and the detailed graphs are obtained from the annual reports of the society. The results obtained after performing the SWOT analysis are then converted into mean percent scores (MPS) and are presented below.

Strengths are those factors that make an organization more competitive than its market place peers. Strengths are what the company has a distinctive advantage in doing or what resources it has that is strategic to the competition. Opportunities include any favorable current prospective situation in the organization environments, such as a trend, market, change or overlooked need that supports the demand for a product or service and permits the organization to enhance its competitive position.

SL NO	STRENGTH	SCORE	MPS
1	Monthly twice milk payment system	4.10	81.95
2	Good commitment from the government	3.85	76.96
3	Regular and Guaranteed Supply of Raw Milk from the Rural Areas	3.74	74.80
4	Livelihood Occupation of the Majority of the Rural Population	4.02	80.46

A weakness is a limitation, fault, or defect within the organization that will keep it away from achieving its objectives; it is what an organization does poorly or where it has inferior capabilities or resources as compared to the competitors

SL.NO	WEAKNESS	SCOPE	MRS
1	Low productivity of animals and high cost of milk production	4.16	83.17
2	Lack of structured and clear benefit packages	4.08	81.68
3	Lack of support services	3.99	79.82
4	Milk shed area is scattered with less membership and members	3.94	78.75
5	Limited market coverage due to less procurement as compared to private players	3.64	72.80
6	Perishable	4.08	81.68

Opportunities include any favorable current prospective situation in the organization environments, such as a trend, market, change or overlooked need that supports the demand for a product or service and permits the organization to enhance its competitive position.

SL.NO	OPPORTUNITIES	SCOPE	MPS
1	More producers willing to join the cooperative societies	4.11	82.23
2	Substantial scope for modernization of the unit and new product development	3.96	79.13
3	Growing milk demand and expandable market share	3.76	75.24
4	Developing infrastructure like processing equipment, etc.	3.60	71.95

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A threat includes any unfavorable situation, trend or impending change in an organizations environment that is currently or potentially damaging or threatening to its ability to compete. It may be a barrier, or anything that might inflict problems,damages, harm or injury to the organization.

SL NO	THREATS	SCORE	MPS
1	Farmers are losing interest in dairy farming	4.28	85.70
2	Decline of grazing lands due to urbanization	3.87	77.44
3	The high cost of credit for dairy farmers	4.08	81.62
4	Increasing cost of inputs	3.62	72.50

### Suggestions

The KMPCSL could capitalize on these strengths and opportunities to exploit the potentials and overcome threats. The management of KMPCSL should discuss about threats and make a policy intervention with the help of government and financial agencies in the collaborative schemes for the overall development of cooperative societies in the state, so that income and employment may be generated among the milk producers and especially for the young generation.

### Conclusions

The study concluded that there was a prime need to mobilize the funds from the government apart from the establishment of linkages with financial institutions to improve the infrastructure of the organization, both at society and federation levels. The Cooperative milk producer's society, Kumbakonam should also utilize funds for providing supplies and services at subsidized rates to member farmers to keep alive their faith in cooperative societies. They should approach the state government and frame a policy framework to utilize the strength and opportunities for enhancing milk production in the state to provide and enhance the employment and income of dairy farmers. Measures, how to face the threats and remove the weaknesses of the society, should also be taken on a priority basis to frame a proper strategy to improve its viability. Then we can say that it is really a welfare scheme/policy which will be of great help for the farmers of Kumbakonam in strengthening the dairy profession.

## **E-HRM – AN OVERVIEW**

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### **Introduction**

Human Resource Management (HRM) is the term used to describe formal systems devised for the management of people within an organization. The responsibilities of a human resource manager fall into three major areas: staffing, employee compensation and benefits, and defining / designing work. Essentially, the purpose of HRM is to maximize the productivity of an organization by optimizing the effectiveness of its employees. Human resource management was previously known as personnel management which was concerned with the activities of a single department. It was typically concerned with the administration of human. The functions carried out by the department were recruitment and selection, reward, appraisal, development, grievance handling, retirement, registration and so forth. It was introduced and developed in the bureaucratic set up in which importance was given to organization and administration of manpower.

### **E-HRM**

The processing and transmission of digitalized HR information is called electronic human resource management (e-HRM), is the application of IT for HR practices which enables easy interactions within employee and employers. It stores information regarding payroll, employee personal data, performance management, training, recruitment and strategic orientation. Information technology is changing the way HR departments handle record keeping and information sharing. It decreases the paperwork substantially and allows easy access to voluminous data. The employee can also keep track of his / her achievements without having to go through litigious procedures. It uses intranet or other web technology channels. It can also be used for implementation of different HR strategies. The authorization of different HR functions can be distributed through E-HRM. Competitive business environments have compelled the organizations to think speedily to innovate and excel for their survival. Technology advancement is one of the powerful driving forces. It has reshaped the way we communicate, live, work and also the way a business is conducted. Corporations need to shift from physical technology to information technology, from capital centered economy to human centered economy, and further from conflict to cooperative working relationships. The change in Information Technology is faster than any other processes in the organization. One of the major hurdles which the HR department needs to cross, is the changing technological environment. The IT possibilities for HRM are endless; in principle all HR processes can be supported by IT.

### **Definition**

E-HRM is a way of implementing HR strategies, policies, and practices in organization through a conscious and direct support of and / or with full use of web-technology based channels.

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### Objective

To study what is e-HRM (its objective, scope, limitations, functions, benefits, goals, outcomes, and consequences) and how e-HRM is shaping organization in a technology driven environment.

### Review of Literature

Literature review examines recent research studies, company data, or industry reports that act as a basis for the proposed study. According to Biswanath Ghosh [2002], in an organization the most valuable input is the human element. The success or failure of an organization depends to a large extent on the persons who manage and run the organization. In business the greatest asset is the human resource of the enterprise and not the plant, equipment or the big buildings it owns. There was a time when manpower was considered as a cost factor but not it is recognized as an investment. The e-HRM can range from basic personnel records to sophisticated networks of sub-system with definite purposes. Today most of these will be computer systems. The manpower information system can provide necessary information in a form which can be integrated with any other business data. With most data base systems, there are facilities to pull out any of the data and present them in the required form. In the view of Michael Armstrong [2003] e-HR provides information required to manage HR processes. These may be core employee database and payroll systems but can be extended to include such systems as recruitment, e-learning, performance management and reward. The system may be web-based, enabling access to be remote or online and at any time. The information provided by the e-HR process can communicated across organizations.

### Research Methodology

This study is based on descriptive nature.

The data collected from the various websites, journals and megazines.

### Discussion

#### Evaluation of e-HRM :

The evaluatio of the e-HRM department is based on six driving forces. These forces need to be harnessed and responded to as companies approach the 21<sup>st</sup> century. The following six forces must be addressed by HRM departments that want to continuously increase their value while reducing costs.

- i. **Information Technology** : HRM professionals are facing a digital future. The rapid growth in the field of computer hardware, software, networking, and telephony services is absolutely essential to the virtual HRM movement. It is not accident that virtual HRM departments will become the norm in the near future. This is especially true with the increase sophistication and lower costs of information age technology and automated processes.
- ii. **Process re-engineering** : Strategic HRM managers are constantly looking for ways to streamline and improve core business processes to make them efficient. All business processes especially those in the HRM department can be reengineeredand improved through the skillful application of information technology.
- iii. **High-speed management** : To be competitive, all companies must work smarter and faster. Virtual HRM is definitely a smarter and quicker form of service delivery than traditional HRM.
- iv. **Networked organization** : Virtual HRM departments are more likely to emerge I networked organizztions than in traditional and bureaucratic companies. The proliferation of information

technology such as local area networks, e-mail, and corporate intranets are the trademarks of a flatter networked company. These new-wave organizations offer state-of-the-art technology and information sharing to empower all levels of personals.

- v. **Knowledge workers :** The 21<sup>st</sup> century organization will compete on strategic information and knowledge. These 'learning organizations' will be staffed with self-directed and computer savvy, knowledge workers. These workers will excel at using information to quickly identify and capture lucrative business opportunities while also diligently identifying and resolving costly problems.
- vi. **Globalization :** To complete successfully in the 21<sup>st</sup> century, nearly all companies must develop a global business strategy. This means that HRM departments must be capable of providing services to their employees anywhere on earth. Obviously, a technology-assisted HRM department that is skilled at traversing the information super highway, is in the best position to support a globalized work force.

E-HRM is a way of implementing HR strategies, policies, and practices in organizations through a conscious and directed support of and / or with the full use of web-based channels. E-HRM can transform the nature of HRM strategies, policies and practices. Researchers are searching for relevant and adequate theory that can fully grasp the concept of E-HRM, and frequently present fragmented empirical evidence, particularly on E-HRM sub-fields such as e-recruitment and e-learning, these-called earlybird' areas where web technology was first adopted.

### Objectives:

E-HRM is designed to achieve the following objectives :

- To offer an adequate, comprehensive and on-going information system about people and jobs at a reasonable cost;
- To provide support for future planning and also for policy formulations;
- To facilitate monitoring of human resources demand and supply imbalance;
- To automate employee related information;
- To enable faster response to employee related services and faster HR related decisions and;
- To offer data security and personal privacy.

### Scope of E-HRM :

- A decisive step towards a paperless office;
- Higher speed of retrieval and processing of data;
- More consistent and higher accuracy of information / report generated;
- Fast response to answer queries
- A higher internal profile for HR leading to better work culture
- More transparency in the system
- Significant reduction of administrative burden
- Adaptability to any client and facilitating management;
- Integral support for the management of human resources and all other basis and support processes within the company;
- A more dynamic workflow in the business process, productivity and employee satisfaction.

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### **Benefits of E-HRM :**

- Standardization
- Ease of recruitment, selection and assessment
- Ease of administering employee records Reductions to cost, time and labour
- Access to ESS training enrollment and self-development
- Cost and ESS
- Location and timeliness

**HRM Goals :** The main goals of e-HRM are as followed :

- Improving the strategic orientation of HRM
- Cost reduction / efficiency gains
- Client service improvements / facilitating management and employees.

### **Types of E-HRM :**

- a. Operational HRM : e-HRM is concerned with administrative function like payroll, employee personal data, etc.,
- b. Relational HRM : e-HRM is concerned with supportive business process by the means of training, recruitment, performance management, and so forth.
- c. Transformational HRM : e-HRM is concerned with strategic HR activities such as knowledge management, strategic re-orientation, etc.,

### **E-HRM Tools :**

#### **E-Employee Profile :**

The e-Employee Profile web application provides a central point of access to the employee contact information and provides a comprehensive employee database solution, simplifying HR management and team building by providing an employee skills, organization chart and even pictures. E-Employee profile maintenance lies with the individual employee, the manager and the database manager. E-Employee profile consist of the following :

Certification, Honor / Award, Membership, Education, Past Work Experience, Assignment Skills, Competency, Employee Assignment Rules, Employee Availability, Employee Exception Hours, Employee Utilization, Employee tools, Job information, Sensitive job Information, Service Details, Calendar, Calendar Administration, Employee Locator.

#### **E-Recruitment :**

Organization first started using computers as a recruiting tool by advertising jobs on a bulletin board service from which prospective applicants would contact employers. Then some companies began to take e-applications. Today the internet has become a primary means for employers to search for job candidates and for applicants to look for job. As many as 100,000 recruiting web sites are available to employers and job candidates and which to post jobs and review resumes of various types.

#### **E-Recruiting Methods :**

Job boards, Professional / Career, Websites, Employer Websites.

#### **E-Selection :**

Most employers seem to be embracing Internet recruitment with enthusiasm, the penetration of on-line assessment tools such as personality assessments or ability tests, has so far been limited.

A survey has shown that although more than half respondents organizations already use either psychometric or other assessment during the recruitment process, only few of these companies use on-line assessments prior to interview. Fewer still include a core fit questionnaire in the recruitment pages of their websites.

**E-Learning :**

E-Learning refers to any programmed of learning, training or education where electronic devices, applications and processes are used for knowledge creation, management and transfer. E-Learning is a term covering a wide-set of applications and processes, such as web-based learning, computer based learning, virtual class room, and digital collaboration.

**Classical and Virtual Learning:**

This classical learning model especially from non-reversible flow of information. At the beginning is the pedagogue, which governs the course. For students, pedagogue offers information, knowledge, and educational materials mostly in the representation of educational lecture notes for lessons.

**Characteristics of E-Learning:**

- a) E-Learning outcomes extend beyond learning to strategic outcomes.
- b) E-Learning is much more than e-training for skill outcomes.
- c) E-learning involves information and communication technology.
- d) E-Learning is about people learning in a given context.

**E-Training:**

Most companies start to think of online learning primarily as a more efficient way to distribute training inside the organization, making it available “any time”, “anywhere” reducing direct costs (instructors, printed materials, training facilities), and indirect costs (travel time, lodging and travel expenses, workforce downtimes).

**Characteristic of E-Training:****Rich Learning Interface:**

- Personalized training programs.
- Training from
- Work place / home
- Virtual
- Class Room

**E-Performance Management System:**

A web-based appraisal system can be defined as the system which uses the web (intranet and internet) to effectively evaluate the skills, knowledge and the performance of the employees.

**E-Compensation::** All companies whether small or large must engage in compensation planning. Compensation planning is the process of ensuring that managers allocate salary increases equitably across the organization while staying within budget guidelines. As organizations have started expanding their boundaries, usage of intranet and internet has become vital. The usage of intranet and internet for compensation planning is called E-Compensation Management. Implementation of E-HRM : There are five main phases in the implementation of the E-HRM business solution.

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1. **Analysis (Infrastructure):** Analyzing the existing infrastructure with regard to quantity of data and classification of business activities.
2. **Business processes in the Company:** After the existing processes have been analyzed, the options for automating these processes in the client's environment are proposed. Finally a project plan is developed based on the model of the processes identified.
3. **Implementation:** After the fundamental analysis of the processes in the work team, individual modules are deployed in the client's environment. With modular design a gradual implementation is possible. Company-functionalities are discussed with the client and built upon request.
4. **Implementation and Training:** A complete knowledge of the components of the solution is a key factor for successful implementation. The entire team of project managers, information technology professionals and human resources specialist are thus involved in user training and implementation.
5. **Maintenance:** Fast technological development and development of new modules make cooperation after the implementation indispensable.

### Advantages of E-HRM

- Integral support for the management of human resources and all other basic and support processes within the company.
  - Prompt insight into reporting and analysis
  - A more dynamic workflow in the business process, productivity and employee satisfaction
  - A decisive step towards a paperless office
  - Makes the work to get over fast

### Disadvantages of E-HRM

- Employees and line managers' mindsets need to be changed : they have to realize and accept the usefulness of web-based HR tools.
- They generally feel that they lack the time space needed to work quietly and thoughtfully with web-based HR tools and so, if there is no need, they will not do it.
- Guaranteeing the security and confidentiality of input data is an important issue for employees in order that they should feel 'safe' when using web-based HR tools.

### Conclusion

E-HRM is a web-based tool to automate and support HR processes. The implementation of e-HRM is an opportunity to delegate the data entry to the employee. E-HRM facilitates the usages of HR marketplace and offers more self-service to the employees. E-HRM (Electronic Human Resource Management) is advance business solution which provides complete on-line support in the management of all processes, activities, data and information required to manage human resources in a modern company. It is an efficient, reliable, easy - to use tool, accessible to a broad group of different users, e-HRM is a way of implementing HR strategies, policies, and practices in organizations through a conscious and directed support of and / or with the full use of web-technology-based channels. It covers all aspects of human resource management like personnel administration, education and training, career development, corporate organization, job descriptions, hiring process, employee's personal pages, and annual interviews with employees. Therefore e-HRM is way of doing HRM.



## **A STUDY ON GREEN BANKING**

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### **Abstract**

*Sustainable development can best be achieved by allowing markets to work within an appropriate framework of cost efficient regulations and economic instruments. One of the major economic agents influencing overall industrial activity and economic growth is the financial institutions such as banking sector. In a globalised economy, the industries and firms are vulnerable to stringent environmental policies, severe law suits or consumer boycotts. Since banking sector is one of the major stake holders in the Industrial sector, it can find itself faced with credit risk and liability risks. Further, environmental impact might affect the quality of assets and also rate of return of banks in the long-run. Thus the banks should go green and play a pro-active role to take environmental and ecological aspects as part of their lending principle, which would force industries to go for mandated investment for environmental management, use of appropriate technologies and management systems. This paper explores the importance of Green Banking, sites international experiences and highlights important lessons for sustainable banking and development in India. However, we find that there has not been much initiative in this regard by the banks and other financial institutions in India though they play an active role in India's emerging economy. Therefore, we suggest possible policy measures and initiative to promote green banking in India.*

### **Introduction of Green Banking**

Sustainable development has emerged as a new paradigm of development in response to the current discourse of development that over-exploits natural environment for economic prosperity. The sustainable development can best be achieved by allowing markets to work within an appropriate framework of cost efficient regulations and economic instruments. One of the major economic agents influencing overall industrial activity and economic growth is the financial institutions such as banking sector. The banking sector influences the economic growth and development in terms of both quality and quantity, there by changing the nature of economic growth. Banking sector is one of the major sources of financing investment for commercial projects which is one of the most important economic activities for economic growth. Therefore, banking sector can play a crucial role in promoting environmentally sustainable and socially responsible investment (SRI)<sup>1</sup>. Banks may not be the polluters themselves but they will probably have a banking relationship with some companies/investment projects that are polluters or could be in future.

Banking sector is generally considered as environmental friendly in terms of emissions and pollutions. Internal environmental impact of the banking sector such as use of energy, paper and water are relatively low and clean. Environmental impact of banks is not physically related to their banking activities but with the customer's activities. Therefore, environmental impact of bank's external activity is huge though difficult to estimate. Moreover, environment management in the banking business is like risk management. It increases the enterprise value and lowers loss ratio as higher quality loan portfolio results in higher earnings. Thus, encouraging environmentally responsible investments and prudent lending should be one of the responsibilities of the banking sector. Further, those industries which have already become green and those, which are making serious attempts to grow green, should be accorded priority to lending by the banks. This method of finance can be called as "Green Banking", an effort by the banks to make the industries grow green and in the process restore the natural environment. This concept of "Green Banking" will be

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mutually beneficial to the banks, industries and the economy. Not only “Green Banking” will ensure the greening of the industries but it will also facilitate in improving the asset quality of the banks in future. Green banking is like a normal bank, which considers all the social and environmental/ecological factors with an aim to protect the environment and conserve natural resources. It is also called as an ethical bank or a sustainable bank. They are controlled by the same authorities but with an additional agenda toward taking care of the Earth's environment/habitats/resources. In other words, green banking essentially means promoting environmental-friendly practices and reducing carbon footprint from banking activities.

Internationally, there is a growing concern about the role of banking and institutional investors for environmentally responsible/socially responsible investment projects<sup>3</sup>. Banking and other financial institutions are more effective towards achieving this goal for the kind of intermediary role they play in any economy and for their potential reach to the number of investors. Environment is no longer the exclusive concern of the government and the direct polluters, but also the other partners and stake-holders in the business like financial institutions such as banking institutions can play a very important role in fostering linkage between economic development and environmental protection. To substantiate, quality of service, the implementation of environmental conservation measures, support to the deprived section of the society, concern about the quality of life and nature are the basic principles that the financial institutions are relying on in their business strategy in recent years.

### Benefits of Green Banking

Basically Ethical (Green) banking avoids as much paper work as possible and rely on online/electronic transactions for processing so that you get green credit cards and green mortgages. Less paperwork means less cutting of trees. Creating awareness to business people about environmental and social responsibility enabling them to do an environmental friendly business practice. When people are awarded with a loan, the interest of that loan is comparatively less with normal banks because ethical banks give more importance to environmental friendly factors - ecological gains. Natural resources conservation is also one of the underlying principles in a green bank while assessing capital/operating loans to extracting/industrial business sector.

### Innovative Ways to Achieve 100% Green Banking in India

**Go Online:** Encourage incentivize and promote online banking, paying bills online, online fund transfers and online electronic statements are just a few of the ways that online banking can create savings from less paper, less energy, and less expenditure of natural resources from banking activities.

**Green credit cards:** The benefit of using a Green credit card is that some that issuers donate a small part of the funds to an environment-friendly non-profit organization.

**Green Loans for home improvements:** Green loans are provided to clients who intend to undertake major home improvements in an eco-friendly and energy-saving manner. The green loans are priced lower than conventional home loans to incentivize clients to opt for green home improvements.

**Green car loans:** Green car loans with better pricing can be provided to clients who purchase energy efficient cars that consume less fuel.

**Green finance:**

The bank can introduce green finance by giving preference to financing eco-friendly business activities and energy efficient industries: building environmental infrastructure such as renewable energy project, clean water supply project, wastewater treatment plant, solid & hazardous waste disposal plant, bio gas plant, bio-fertilizer plant etc.

**Green Banking: International Initiatives**

The financial sector's growing adherence to environmental management system is attributed to the direct and indirect pressures from international and local Non Governmental Organisations (NGOs), multilateral agencies and in some cases the market through consumers. In the early 1990s, the United Nations Environment Programme (UNEP) launched what is now known as the UNEP Finance Initiative (UNEPFI). Some 200 financial institutions around the globe are signatories of this initiative statement to promote sustainable development within the framework of market mechanisms toward common environmental goals. The objective is to integrate the environmental and social dimension to the financial performance and risk associated with it in the financial sector. As the commitment of this UNEPFI statement goes, sustainable development is regarded basic to the sound business management. It advocates for a precautionary approach towards environmental management and suggests integrating environmental considerations into the regular business operations, asset management, and other business decisions of the banks<sup>11</sup>. IFC's environmental unit was established in 1991 for 1034 international banks follow codes of conduct in the lines of UNEP, environmental reporting, environmental management systems, environmental policy and environmental risk assessment and guidelines to reduce environmental impact, both internal and external (Jeucken, 2001).

Similarly, the US Export-Import Bank regularly reviews while financing exports on the ground whether they are environmentally sound. It will be noteworthy to mention that Netherland-based ABN-Amro bank has developed certain Reputational Risk Management (RRM) policies to identify, assess and manage non-financial present within its business engagements. Similarly, some of the big international banks like ABN Amro, Deutsche, Standard Chartered, HSBC Bank etc. look at environment issues discussed under Kyoto Protocol. Going further, the Dutch Government has made a formal request to banks in achieving sustainable development. The dialogue between banks and government was established in 1999 to initiate policies for environmental improvements through the development of new financial products and services. Similarly, Earth (FoE) and the Rainforest Action Network (RAN) challenged the industry with high-profile campaign that highlighted cases in which commercial banks were "bankrolling disasters" in 2000 in the US. In 2002, a global coalition of NGOs formed a network named 'BankTract' to promote sustainable finance in the commercial sector. This coalition came up with a resolution constituting six principles promoting environmental protection and social justice by banks and this is popularly known as Collevocchio Declaration. The six principles that this declaration advocated included commitments to sustainability, no-harm, responsibility, accountability, transparency and sustainable market, and governance. More than 200 organizations have endorsed this declaration and urged the banks to incorporate these commitments into their business operation. The declaration states that "Finance

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and Commerce has been at the center of a historic detachment between the world's natural resource base, production and consumption.

All these concerns for sustainable finance or green finance have compelled the banking institutions to devise a common and coherent set of environmental and social policies and guidelines that can be used to evaluate the projects. A small group of banks along with IFC came together to initiate the process of designing the common guidelines in October 2002 and came up with a guidelines in June 2003 that is known as Equator Principles with 10 leading commercial banks adopting these voluntary set of principles. This equator principle was subsequently updated and the new revised sets of principles are launched in July 2006. The coverage of projects being financed is expanded in this revised set of principles by lowering the finance threshold from \$50 million to \$10 million. Presently 46 financial institutions from 16 countries with business operation in more than 100 countries have embraced this equator principle. So this principle has become a common standard of project finance that incorporated environmental and social issues in project finance. The activities of the equator banks (banks adopting equator principles) are being reviewed by NGOs worldwide and are being published whenever it is realized that they are not committed to Equator Principle. IFC along with the Financial Times has initiated 'Sustainable Banking Award' since 2006. More than 104 financial institutions out of 151 entries from 51 countries have made it to the final lists of award in 2007. The number of banks applying was up by more than 100 per cent compared to the previous year's 48 banks from 28 countries.

All the international initiatives towards integrating environmental concerns into business operation of banks are voluntary in nature and are meant to promote a common good of a better ecosystem. Voluntary commitment has its own shortcoming in a competitive market. Unless the market for green money will increase, the lenders will always have an incentive to procrastinate their social commitment and prioritize the commercial interest in the short run. So demand for green money is a precondition of green banking if it will be voluntary. A Government legislation that makes banks accountable for the misdeeds of their clients will help promote green banking.

### **Initiatives by Indian Banks:**

The public sector and private sector banks are providing green banking services to protect our environment. The banks are providing services on the basis of following terms:

- a) Take steps to minimize resource consumption and waste generation by following the principle of "Reduce, Reuse, Recycle"
- b) Strive to progressively adopt sustainable sourcing
- c) Dispose the waste responsibly, in line with applicable regulatory requirements
- d) Adopt best practices to address climate change and related issues
- e) Adopt greener technologies wherever practical in order to reduce our environmental footprint.
- f) Encourage and support our members of value chain to adopt good environmental practices, environmental compliance and reporting
- g) Comply with all applicable regulatory requirements
- h) Shall report our environmental performance to our key stakeholders on an annual basis

## Conclusion

In a rapidly changing market economy where globalization of markets has intensified the competition, the industries and firms are vulnerable to stringent public policies, severe law suits or consumer boycotts. This would affect the banks and financial institutions to recover their return from investment. Thus, the banks should play a pro-active role to take environmental and ecological aspects as part of their lending principle which would force industries to go for mandated investment for environmental management, use of appropriate technologies and management systems. Green Banking if implemented sincerely will act as an effective ex ante deterrent for the polluting industries that give a pass by to the other institutional regulatory mechanisms. There has not been much initiative in this regard by the banks and other financial institutions in India though they play an active role in India's emerging economy. The banking and financial sector should be made to work for sustainable development. As far as green banking is concerned, India's banks and financial institutions are running behind time. None of our banks or financial institutions have adopted equator principle even for the sake of records. None of them are signatory to the UNEP Financial Initiative statement. It is time now that India takes some major steps to gradually adhere to the equator principles-guidelines that use environment-sensitive parameters, apart from financial, to fund projects.

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## **CUSTOMER RELATIONSHIP MANAGEMENT IN BANKING SECTOR**

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### **Abstract**

*Driven by challenges on competition, rising customer expectation and shrinking margins, banks have been using technology to reduce cost. Apart from competitive environment, there has been deregulation as to rate of interest, technology intensive delivery channel like Internet Banking, Tele Banking, Mobile banking and Automated Teller Machines (ATMs) etc have created a multiple choice to user of the bank. The banking business is becoming more and more complex with the changes emanating from the liberalization and globalization. For a new bank, customer creation is important, but an established bank it is the retention is much more efficient and cost effective mechanism. CRM is a sound business strategy to identify the bank's most profitable customers and prospects, and devotes time and attention to expanding account relationships with Banking Industry in India has undergone a rapid changes followed by a series of fundamental developments. Those customers through individualized marketing, repricing, discretionary decision making, and customized service-all delivered through the various sales channels that the bank uses. Under this case study, a campaign management in a bank is conducted using data mining tasks such as dependency analysis, cluster profile analysis, concept description, deviation detection, and data visualization. Crucial business decisions with this campaign are made by extracting valid, previously unknown and ultimately comprehensible and actionable knowledge from large databases. The research work is an empirical study intended to explore the technological revolution that the commercial banks witnessed and how far it has benefited banks to build better customer relationship management (CRM) services of public sector banks with private sector banks. Furthermore, a comparison would also be made to find out the expectations of the customers from the banking stream and on various technical and structural fronts.*

**Keywords** - Customer, Management, Banking sector, CRM

### **Introduction**

Today, many businesses such as banks, insurance companies, and other service providers realize the importance of Customer Relationship Management (CRM) and its potential to help them acquire new customers retain existing ones and maximize their lifetime value. At this point, close relationship with customers will require a strong coordination between IT and marketing departments to provide a long-term retention of selected customers. This paper deals with the role of Customer Relationship Management in banking sector and the need for Customer Relationship Management to increase customer value by using some analytical methods in CRM applications.

CRM is a sound business strategy to identify the bank's most profitable customers and prospects, and devotes time and attention to expanding account relationships with Banking Industry in India has undergone a rapid changes followed by a series of fundamental developments. Those customers through individualized marketing, repricing, discretionary decision making, and customized service-all delivered through the various sales channels that the bank uses. Under this case study, a campaign management in a bank is conducted using data mining tasks such as dependency analysis, cluster profile analysis, concept description, deviation detection, and data visualization. Crucial business decisions with this campaign are made by extracting valid, previously unknown and ultimately comprehensible and actionable knowledge from large databases. The model developed here answers what the different customer segments are, who more likely to respond to a given offer is, which customers are the bank likely to lose, who most likely to default on credit cards is, what the risk associated with this loan applicant is. Finally, a cluster

profile analysis is used for revealing the distinct characteristics of each cluster, and for modeling product propensity, which should be implemented in order to increase the sales.

### **CRM Objectives in Banking Sector**

The idea of CRM is that it helps businesses use technology and human resources gain insight into the behavior of customers and the value of those customers. If it works as hoped, a business can: provide better customer service, make call centers more efficient, cross sell products more effectively, help sales staff close deals faster, simplify marketing and sales processes, discover new customers, and increase customer revenues. It doesn't happen by simply buying software and installing it. For CRM to be truly effective an organization must first decide what kind of customer information it is looking for and it must decide what it intends to do with that information. For example, many financial institutions keep track of customers' life stages in order to market appropriate banking products like mortgages or IRAs to them at the right time to fit their needs.

Next, the organization must look into all of the different ways information about customers comes into a business, where and how this data is stored and how it is currently used. One company, for instance, may interact with customers in a myriad of different ways including mail campaigns, Web sites, brick-and-mortar stores, call centers, mobile sales force staff and marketing and advertising efforts. Solid CRM systems link up each of these points. This collected data flows between operational systems (like sales and inventory systems) and analytical systems that can help sort through these records for patterns. Company analysts can then comb through the data to obtain a holistic view of each customer and pinpoint areas where better services are needed. In CRM projects, following data should be collected to run process engine: 1) Responses to campaigns, 2) Shipping and fulfillment dates, 3) Sales and purchase data, 4) Account information, 5) Web registration data, 6) Service and support records, 7) Demographic data, 8) Web sales data.

### **CRM Development**

To be prepared to the changing economic conditions and, in particular, to a rapidly decreasing inflation rate scenario Garanti Bank has started timely to focus on developing a customer relationship management (CRM) system. The total number of customers is presently around two millions, but an increase to roughly three millions is foreseen as merging with Osmanli Bank and Koferzbank are achieved and the present growth targets are reached. The importance for the bank of managing the relationships with their customers has been the drive of the joint projects that have been developed with IBM in the last three years. During the projects a number of crucial technological and architecture choices have been made to implement the entire process. Realizing the importance of customer information availability the first of these projects has focused on the problem of routinely collecting and cleansing data. The project has been undertaken by the bank with the spirit that has characterized the whole CRM development. The project has promoted a massive involvement of the branches, namely of the portfolio managers and campaigns have been launched for popularizing among branch staff the importance of gathering and maintaining reliable customer data. Another set of methods have been tested for customer not included in portfolios (pool customers), such as mailing or distributing questionnaires in the branches or using automatic teller machines (ATM) and the call center. Methods for data checking and testing have been

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developed to be routinely employed by the bank's staff. Results obtained are very good: for portfolio customers data available are respectively 98% for the commercial ones and 85% for the retail ones. For pool customers availability goes down to 65%: this is a well-known phenomenon due to the loose relationship with the latter customers.

### Data Warehouse and Data Mining

The Data warehouse is the core of any decision support system and hence of the CRM. In implementing its Data Warehouse Garanti Bank has selected an incremental approach, where the development of information systems is integrated with the business strategy. Instead of developing a complete design of a corporate Data Warehouse before implementing it, the bank has decided to develop a portion of the Data Warehouse to be used for customer relationship management and for the production of accurate and consistent management reports. Here we are not concerned with the latter goal, but are concentrating on the former. The Data Warehouse has been designed according to the IBM BDW (Banking Data Warehouse) model, that has been developed as a consequence of the collaboration between IBM and many banking customers. The model is currently being used by 400 banks worldwide. The Garanti Bank Data Warehouse is regularly populated both from operational systems and from intermediate sources obtained by partial preprocessing of the same raw data.

### Analytical Data mart

The Analytical Data mart is customer centric and contains the following data:

1. Demographic (age, sex, cultural level, marital status, etc.)
2. Ownership of bank's product/services
3. Product/services usage (balance, transactions, etc.)
4. Global variables : profit, cost, risk, assets, liabilities
5. Relationship with the bank: segment, portfolio, etc.

### Review of Literature

**Kamath** in his thesis entitled "Marketing of bank services with special reference to branches in Bombay city of syndicate bank" has concluded that quicker and better service offered by bank will be the most important variable in attracting and retaining customer.

**S.G Shah** in his article has stated that quality of customer service in bank has to very sink to very low and poor levels because of two vastly different reasons. The first is that even the simple routine service have broken down. The second area in which customer service is lagging is that of special situation.

**T.S Ravisankar** in his study "Marketing strategies and planning for business growth in banks stressed that the marketing plan for banking service be supported by appropriate marketing strategies. He suggests that the marketing strategy for banks must be oriented to customer – current and potential.

**John Brooks** former president and chairman of the council of the chartered institute of Bankers, London states "Customer care is emerging as a critical factor in the banking industry and bankers are fully conscious of the need for attaining international standard for service".

**Dr. B.C. Saraswathy** in her article has stated that the mail objectives of CRM are building long term, sustaining relations with customers by delivering superior customer value and satisfaction. Instead of trying to maximize profit for each every transaction, CRM focuses on maximizing profits



over the lifetime value of customers. Undoubtedly, CRM is a potential tool in sustaining and boosting sales in this era of hyper competitive world.

### **Objectives of the Study**

- 1) To examine the opinion of the customers as to CRM of the banks with respect to service quality management.
- 2) To analysis the opinion of the customers as to CRM of the banks with respect to customer interaction management.
- 3) To study the opinion of the customers as to CRM of the banks with respect to customer retention management.

### **Methodology**

This research work will depend on both primary and secondary data. Primary data will be collected by ways of well structured questionnaire that will be administered by the researcher on banks in Thanjavur District of Tamilnadu. Secondary data will be collected from published records of RBI and other Bank authorities, standard text book and published research papers. The required primary data will be collected from the bank branches in Salem District. A minimum of 8 branches will be approached, apart from collecting information from banks, the general public who holds accounts with the banks in the District.

### **Sampling Design**

The researcher followed multi-stage sampling in the selection of sample. Public and Private sector banks operating in Thanjavur of Tamil Nadu. The sample for the study was selected through a three-stage sampling procedure. The first stage involved the choice of banks. As it was felt that it would be useful to attempt a comparative study between Public and Private Banks, two public sector banks (SBI, IOB, and ICICI Bank). The random selection of bank branches constituted the second stage of the sampling process. Two branches for each of the chosen public sector banks and two branches for each of the Private sector banks were selected for this study. Judgment sampling method was adopted initially 20 customers from each branch were targeted for data collection needed for the study. Thus the final sample for the study consisted of 8 banks branches (four from to public sector banks and four from private sector banks) which generated 160 customers for studying customer relationship management in banks of Salem District.

### **Analysis of Data**

Delivering high quality service is an important strategy that attracts and retains customers and enhances customer relationship in banks. High quality in service pleasing and creating delightful customers and not just simply preventing them from getting annoyed service quality itself comprises of several dimensions like empathy, reliability, responsiveness, tangibility, communication etc.

### **Findings**

1. In both public and private sector banks, the mean rating of individual attention understanding the specific needs of the customers are lower than their respective dimension mean values.
2. Public Sector banks is rated higher than the private sector banks and the public sector banks are well interactive with their customers perception of customer retention management practices in public and private sectors is almost the same.

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### Suggestions

The customers perception of service quality is lower in private sector banks. So it is suggested that private sector banks may take steps to improve their service quality, strategies, customer interaction management strategies customer retention management strategies.

### Conclusion

Today, many businesses such as banks, insurance companies, and other service providers realize the importance of Customer Relationship Management (CRM) and its potential to help them acquire new customers retain existing ones and maximize their lifetime value. At this point, close relationship with customers will require a strong coordination between IT and marketing departments to provide a long-term retention of selected customers. This paper deals with the role of Customer Relationship Management in banking sector and the need for Customer Relationship Management to increase customer value by using some analytical methods in CRM applications. The present study provides some guidelines for customer relationship management satisfied customers are loyal customer, their retention rate is much higher and so is their overall profitability for the bank. CRM offers the most holistic route for banks to enhance customer relationships. Banks can enhance customer retention, profitability and loyalty and get an increased share of banks from their customers. Banks need to embrace CRM as a principle and adopt a strategy for managing customer relationships that effectively addresses three key areas, customers, processes and technology. Finally banks should take actions such as recognition and delegation of work, freedom to handle customer's grievances and management's approval to take decision according to the situations.

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## **A STUDY ON COST BENEFIT ANALYSIS IN CASH MANAGEMENT SERVICES IN BANKING SECTOR**

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### **Abstract**

*This study is tries to look at the different segments which are playing part especially in terms of corporate banking and the other relevant operations being undertaken by them and the challenges faced in this respect would also be analyzed. A corporate banking system can be thought of as the processes and structures used to direct a corporation's business. The information was collected mainly through the different internet sources, RBI regulations, magazines, journals and bank records. It is very important factor to any organisation. It helps to achieve the objectives of the business and helps to carry the smooth working of an organisation. The very prominent process in an economy is the cash flow and currency flow with in the economy. With the changing enviournment of today's era bank has faced a huge challenge that is change, banks needs to be very careful and updated with the changing standards. To over come the shrinking deposits, to increase the number of account setc. Bank has to be updated and come up with the new technique Cash Management Services. Hence the objective of this paper is to study the Role of cash management system in Banking Sector.*

**Keywords:** Cash Management System, Banking Industry, cash, bank customers.

### **Introduction**

Nowaday, technology has be come the key in everysuccessful bank. Cash Management is a term that refers to the concentration, collection and Disbursement of cash<sup>1</sup>. The important task for managers is to maintain the flow of cash. Orignaly it is a paper based system involves security risk, the huge processing cost, cash management Services in India has faced a huge change<sup>2</sup>. Banks is now thinking about the customer's point of view and try tob ring themaximumservices door to door of the consumer. Efficient cash management servicesassuresfor the effective collection and payment technique, proper disbursements of free funds, helpful forurgent cash requirement, and manage the banks who manage these activities of the company. Cash Management Services help to reduce the time required for one transaction, it increases the high net profit of an organization, reduce the losses, saveidle. Time of the customer of the bank. It is also beneficial for the bank to increase the level of technical proficiency of the employees of the bank. For the security purpose bank has to follow the RBI guidelines.

### **Benefits of Cash Management System**

The speedier you are, it's easier for you to address the challenges of globalisation. In this technolgyer a the Cash Management System provides following Benefits to its customers:

- i. Funds available as per need on day zero, dayone, day two, day threetc. i. Corporate canplan their cash flows,
- ii. Bank interests avedas instruments are collected faster,
- iii. Affordable and competitiverates. ii. MIS reports customized to meet individual corporate equirement. iii. Single point enquiry for all queries. iv. Pooling of fundsat desired locations. v. Operational in 148 Cities/Centers.

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### Detailed Guidelines for Cash Management Services:

1. Following is the cash Management services offered by the bank to the Customers.

**Advanced Web Services:** nowadays most of the banks giving the web services and internet facility to their customers. This enables managers to create and authorize special internal log on credentials, allowing employees to send wires and access other cash management features normally not found on the consumer website.

**Account Reconciliation Services:** to maintain a checkbook most difficult task for big organizations as they have lots of transactions on daily basis to overcome this, banks have developed a system which allows companies to upload a list of all the checks that they issue on a daily basis, so that at the end of the month the bank statement will show not only which checks have cleared, but also which have not. More recently, banks have used this system to prevent checks from being fraudulently cashed if they are not on the list, a process known as positive pay<sup>3</sup>.

**Armored Car Services (Cash Collection Services):** big organizations have a large cash transaction on daily basis or hourly basis so bank provides the facility to collection of cash from their door step.

**Automated Clearing House:** This system is criticized by some consumer advocacy groups; because under this system banks assume that the company initiating the debit is correct until proven otherwise<sup>4</sup> an electronic system used to transfer funds between banks. Companies use this to pay others, especially employees (this is how direct deposit works). Certain companies also use it to collect funds from customers (this is generally how automatic payment plans work).

**Balance Reporting Services:** Corporate clients who are having a large cash transactions on daily basis and they need reporting so these sophisticated compilations of banking activity may include balances in foreign currencies, as well as those at other banks. They include information on cash positions as well as 'float' (e.g., checks in the process of collection). Finally, they offer transaction-specific details on all forms of payment activity, including deposits, checks, and wire transfers in and out, ACH (automated clearing house debits and credits), investments, etc.

**Lockbox-Retail services:** the companies where cash balance is very high for their convenience purpose bank provides a post box where corporate can maintain a cash balance called "Lockbox-Retail".

**Cash Concentration Services:** Most of the time large corporate do not find a branch of their bank to near by their location. Therefore, they open bank accounts at various local banks in the area. To prevent funds in these accounts from being idle and not earning sufficient interest, many of these companies have an agreement set with their primary bank, where by their primary bank uses the Automated Clearing House to electronically "pull" the money from these banks into a single interest-bearing bank account.

**Lockbox - Wholesale services:** The corporate with small numbers of payments sometimes they want detailed processing. This might be a small manufacture company.

**Reverse Positive Pay:** Reverse positive pay is similar to positive pay, but the process is reversed, with the company, not the bank, maintaining the list of checks issued. When checks are presented for payment and clear through the Federal Reserve System, the Federal Reserve prepares a file of the checks' account numbers, serial numbers, and dollar amounts and sends the file to the

bank. In reverse positive pay, the bank sends that file to the company, where the company compares the information to its internal records. The company lets the bank know which checks match its internal information, and the bank pays those items. The bank then researches the checks that do not match, corrects any misreads or encoding errors, and determines if any items are fraudulent. The bank pays only "true" exceptions, that is, those that can be reconciled with the company's files.

**Positive Pay:** This is the service where the corporate electronically shares its check register of all written checks with the bank. The bank therefore will only pay checks listed in that register, with exactly the same specifications as listed in the register (amount, payee, serial number, etc.). This system dramatically reduces check fraud.

**Sweep accounts:** These systems, excess funds from a company's bank accounts are automatically moved into a money market mutual fund overnight, and then moved back the next morning<sup>5</sup>. This allows them to earn interest overnight. This is the primary use of money market mutual funds.

**Wire Transfer:** It is an electronic transfer of funds.

**Zero Balance Accounting:** Corporate having a huge amount of stores or locations can very often be confused if all those stores are depositing into a single bank account. Traditionally, it would be impossible to know which deposits were from which stores without seeking to view images of those deposits. To help correct this problem, banks developed a system where each store is given their own bank account, but all the money deposited into the individual store accounts are automatically moved or swept into the company's main bank account. This allows the company to look at individual statements for each store. U.S. banks are almost all converting their systems so that companies can tell which store made a particular deposit, even if these deposits are all deposited into a single account. Therefore, zero balance accounting is being used less frequently.

**Controlled Disbursement:** The bank gives a daily report in the first hour of the day, which provides the disbursement amount that will be payable to the customer. This early knowledge of daily funds requirement allows the customer to invest any surplus in intra day investment opportunities, typically money market investments.

#### **Banks can offer the following cash Banking Services to the Bank customer:**

(a) Business/Government offices/ etc. i. Collect the cash, ii. Collect the instruments, iii. Performing cash delivery for the cheque received, iv. Performing delivery of demand drafts.  
(b) Individual Customers/Natural persons: i. collect the cash, ii. collect the instrument, iii. performing delivery demand draft

**Modes of Delivery:** i. By own employees, ii. By Agents. Bank can offer Cash Management Services to the Customers and offer door step banking to deliver these services they are having two modes. By own employees mean banks can recruit more employees specially for providing these services as per the rules and Regulations of RBI. By Agents means bank can out source these services to some cash management service provider.

**Delivery process:** i. Cash received from customers must be signed by giving a receipt on behalf of the bank, ii. Cash received from the customer must be credited to the account of customers

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on that day only or next working day, based on the time of collection, iii. The customers must be known about the date of credit by giving a proper advice, iv. Delivery of demand drafts must be done one by debit to the customer's account on the basis of instruments received at the customer's door step, v. delivery of cash may be provided to the corporate clients/PSUs/Central and State Government departments for the receipt of cheque at the branch and not by telephonic call.

### Risk Management

It is confirmed that the agreement done with the customers does not have any legal or financial liability on the bank for failure to offer doorstep banking services under a situation beyond the control<sup>6</sup>. The agreement is not intended to give any right to the customers to claim the service at his door step.

### Transparency

The charges for the customers to provide the Cash Management Services are nominal and it is available on the agreement and decided by the board of directors and according to the rules and regulations of RBI.<sup>7</sup> The charges available on the brochures of the respective bank who offer these services.

### Limitations of Cash Management Service

Cash Management Services are reliable for the big corporate whose volume of transactions are huge on a daily basis. It is not reliable for the small scale business whose volume of transactions is less on a daily basis.

### Conclusion

With the changing era, banks have taken a very reliable step to offer Cash Management Services to the Customers which helps to reduce the risk, the time taken in this technology era. This will definitely help to improve the economy condition of our country.

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## **PROBLEMS AND PROSPECTS OF FISHERMEN -A STUDY WITH REFERENCE TO POOMPUHAR VILLAGE OF NAGAPATTINAM DISTRICT, TAMILNADU**

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### **Abstract**

*Fishing has been one of the oldest economic activities of human being in the world. Fishes have both nutritive and curative powers. In international market Indian fishes have great demand and earn a sizable amount of foreign exchange. In Indian Coastal States fishing is a major industry. Tamilnadu is one of the leading states in India in fishing activities having coastal length of 1076 kilometers. Tamilnadu has 13 marine coastal districts, 608 marine fishing villages and 363 marine fish landing centres. Tamilnadu has over 9.00,000 fisher-folk populations. Tamilnadu is one of the leading fish producing state in India. The majority of fishermen live under high level poverty and financial instability due to low level of profitability in their fishing activities. In this research paper an attempt is made to analyse their income and expenditure pattern and also analyse the problems and prospects of fisher folk in Poompuhar village of Nagapattinam District, Tamilnadu.*

**Keywords:** *Fishing, Fishermen, Coastal, Problems, Prospects.*

### **Introduction**

Fishing has been one of the oldest economic activities of human being in the world. In the food providing industry fish and other sea food constitute an important role. Fishes are very tasty and healthy to the human being because they provide protein. A chemical element 'Omega' found in fish and it has a very great medicinal value in the world. Experts from medical field advised that such properties of fish could be consumed even by persons having heart problems. Fishes have both nutritive and curative powers. Fish has a curative culture of creditable value. In India, many good and rare varieties of fish are found in the sea. In international market Indian fishes have great demand and earn a sizable amount of foreign exchange. In the world millions of people are profitably engaged in fishing and fish trading activities. Fish and fisher folk are together and inseparable. They play a pivotal role in the walks of day today life of human beings. The fishermen life and standard of living purely depends on the sea, because they go to the sea to catch the fish. The fishermen stay in sea and spend day and night to catch the fish. At the time of catching fish in the sea fishermen faces lot of risks and many fishermen lost their life in the sea.

### **Statement of the Problem**

In Indian Coastal States fishing is a major industry. India is a major exporter of fish in the world. The marine coastline of India is 7517 kilometers. In India 3,827 fishing villages are there and 1,914 traditional fish landing centers are functioning. Tamilnadu is one of the leading states in India in fishing activities having coastal length of 1076 kilometers. Tamilnadu has 13 marine coastal districts, 608 marine fishing villages and 363 marine fish landing centres. Tamilnadu has over 9.00,000 fisher-folk populations. Tamilnadu is one of the leading fish producing state in India. The majority of fishermen live under high level poverty and financial instability due to low level of profitability in their fishing activities. In this research paper an attempt is made to analyse their

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income and expenditure pattern and also analyse the problems and prospects of fisher folk in Poompuhar village of Nagapattinam District, Tamilnadu.

### Objectives of the Study

The important objectives of the present study are to know the income and expenditure pattern of fisher folk, to analyse the Socio-economic profile of fisher folk and to identify the problem faced by the fishermen in the study area.

### Methodology

The study is based on both primary and secondary data. The primary data were collected through well structured interview schedule. The researcher has adopted random sampling technique to collect data from the sample respondents. The researcher has selected 120 sample respondents in the study area. The secondary data were collected through various journals, magazines and websites.

### Limitations of the Study

The study is subject to the following limitations

- The study area is confined only to Poompuhar village.
- The sample size is restricted to 120 only.
- To findings of the study depend purely on the response given by the sample respondents and hence it cannot be generalized.

### Results and Discussion

#### Table – 1 Demographic Profile of Respondents

Source: Primary Data

<i>Demographic Variable</i>	<i>No. of Respondent</i>	<i>Percentage to Total</i>
<b>Gender</b>		
<i>Male</i>	<b>164</b>	<b>68.33</b>
<i>Female</i>	<b>76</b>	<b>31.67</b>
<b>Age (in Years)</b>		
<i>Below 15</i>	<b>12</b>	<b>5.00</b>
<i>16-25</i>	<b>44</b>	<b>18.33</b>
<i>26-35</i>	<b>26</b>	<b>10.83</b>
<i>Above 35</i>	<b>158</b>	<b>65.84</b>
<b>Educational Level</b>		
<b>Primary</b>	<b>140</b>	<b>58.00</b>
<b>SSLC</b>	<b>62</b>	<b>26.00</b>
<b>HSC</b>	<b>32</b>	<b>13.00</b>
<b>UG</b>	<b>4</b>	<b>2.00</b>
<b>PG</b>	<b>2</b>	<b>1.00</b>
<b>Marital Status</b>		
<b>Married</b>	<b>172</b>	<b>71.67</b>
<b>Unmarried</b>	<b>68</b>	<b>28.33</b>
<b>Total</b>	<b>240</b>	<b>100</b>

The above table is designed to know the demographic profile of the respondents in the study area. It is clear from this study, 65.84 percent of respondents are at the age group of above 35. The next group of respondents are at the age group of 16-25 (18.33 percent) followed by 10.83 at the age of 26-35 years and 5 percent at the age of below 15 years. 68.33 percent of respondents are male and only 31.67 percent of respondents are female. Here 58 percent of the respondents have completed only primary level of education. About 26 percent of them

have completed their SSLC and 13 percent of the respondents got HSC, 2 percent of the respondents have done their UG and only one percent of the respondent has obtained their PG. 71.67 percent are found to be married and the remaining 30 percent unmarried.



**Table - 2 Nature of Work carried by the sample respondents****Source: Primary Data**

Nature of work	No. of Respondents	Percentage
Fishing activities	182	75
Fish vending activities	36	15
Fish processing activities	24	10
<b>Total</b>	<b>240</b>	<b>100</b>

Nature of work is the important factor to analyse the problems and prospects of fisher folk. It is clear from this study that, 75 percent of respondents involved in the fishing activities. 15 percent of the respondents are related

with fish vending activities and only 10 percent of the respondents work in the field of fish processing.

**Table-3 Type of Houses of the Respondents****Source: Primary Data**

Types	No. of Respondents	Percentage
Concrete Houses	112	47
Tiled Houses	106	44
Thatched Houses	22	9
<b>Total</b>	<b>240</b>	<b>100</b>

A type of house is the important factor for analyzing the problems and prospects of fisher folk. It is clear from this study, 47 percent of the respondents live in concrete houses, 44 percent live in tiled houses and 9 percent of the respondents

are leading very poor life in thatched houses in the study area of Poompohar.

**Table-4 Nature of ownership residence of the Respondents****Source: Primary Data**

Nature of Ownership	No. of Respondent	%
Own houses	85	71
Rented houses	26	22
Leased houses	9	7
<b>Total</b>	<b>120</b>	<b>100</b>

The above table shows that a good majority (71 Percent) of the respondents are having their own houses to dwell their life. 22percent of the respondents live in rented houses and the remaining 7 percent of the respondents live in leased houses.

**Table-5 Water Sources of the Respondents****Source: Primary Data**

Water Sources	No. of Respondents	%
Public water Source	158	66
Own water Source	60	25
Nearby homes	22	9
<b>Total</b>	<b>240</b>	<b>100</b>

The above table clearly highlights that, 66 percent of the people depend on public water sources to satisfy their needs. 25 percent of the respondents have their own water source. And 9 percent of the respondents fetch water from nearby homes to fulfill their needs.

**Table-6 Electricity Facility in the Houses of the Respondents****Source: Primary Data**

Electricity Facility	No. of Respondents	Percentage
Electrified	216	90
Non-electrified	24	10
<b>Total</b>	<b>240</b>	<b>100</b>

It is clear from the above that, 90 percent of the respondents said that their houses are electrified and 10 percent of the respondents are depending on lamps and candles to light up their homes in the

study area.

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**Table-7 Mode of Fishing of the Respondents**

**Source: Primary Data**

Mode of Fishing	No. of Respondents	%
Mechanized Trolling boats	134	56
Kattumaram	60	25
Plywood Boats	26	11
Off shore fishing	20	8
<b>Total</b>	<b>240</b>	<b>100</b>

In the study area most of the respondents (56 percent) are using mechanized trolling boats to catch fishes. 25 percent are catching fish by Kattumaram and 5 percent of the respondents mode of fishing is off shore Fishing.

**Table-8 Working Experience of the Respondents**

**Source: Primary Data**

Working Experience	No. of Respondent	%
More than 20 years	140	58
10-20 years	52	22
5 – 10 Years	40	17
Below 5 Years	8	3
<b>Total</b>	<b>240</b>	<b>100</b>

It is identified from the analysis of the above table that 58 percent of the respondents are sticking on this field for a very long period of time i.e., more than 20 years. 22 percent of the people are working in this field between 10-20 years. 17 percent of the people have the working experience between 5-10 years and only 3 percent of the respondents took up this career only below 5 years back.

**Table-9 Modes of Sale**

**Source: Primary Data**

Modes of sale	No. of Respondents	Percentage
Wholesalers	92	38
Direct Marketing	50	21
Fisheries societies	50	21
Retailers	28	12
Fish vendors	20	8
<b>Total</b>	<b>240</b>	<b>100</b>

The above table exhibits that, 38 percent of the fishes are sold to wholesalers, 21 percent of the fishes are sold through direct marketing approach, another 21 percent of the fishes are sold by fisheries societies, 12 percent of the fishes are sold to retailers and the remaining 8 percent of the fishes are going to fish vendors from the shore itself.

**Table-10 Wages Payment to the Respondents**

**Source: Primary Data**

Wages Payment	No. of Respondents	%
Fortnightly	96	40
Weakly	54	23
Daily	46	19
Once in a month	44	18
<b>Total</b>	<b>240</b>	<b>100</b>

It is clear from the above table that, 40 percent of the respondents get their wages at fortnightly, 23 percent of the respondents get their wages weakly, 19 percent of the respondents collect their wages daily and the remaining 18 percent of the respondents get their wages only once in a month in the study area.

**Table-11 Level of Income and Expenditure****Source: Primary Data**

Level of Income and Expenditure	No. of Respondents	%
Income is not sufficient to meet out the expenditure	192	80
Income is equal to meet out the expenditure	48	20
<b>Total</b>	<b>240</b>	<b>100</b>

The above table is designed to know the level of income and expenditure of fishermen in the study area. It is clear from the above table

that 80 percent of the respondents said that the income earned is not sufficient to meet out their expenditure. This adverse income condition affects their life in the negative sense. 20 percent of the respondents said that the income earned is sufficient to meet out their expenditure and there is no scope to create savings for their future life.

**Table-12 Economic Position of the Respondents****Source: Primary Data**

Economic Position	No. of Respondents	%
Remaining same	110	46
Not find ways to improve their position	90	38
Have improved their Economic position	40	16
<b>Total</b>	<b>240</b>	<b>100</b>

The above table highlights the economic position of the respondents in the study area. 46 percent of the respondents said that their economic position

remain same. 38 percent of the fishermen told that, they could not find ways to improve their position and the remaining 16 percent of the respondents said that they have improved their economic position.

**Table-13 Problems of Fishermen relating to their family****Source: Primary Data**

Problems	Mean Score	Rank
No Chances of Buying Advanced Household Equipments	49.95	IV
Average or Below Average Dwelling	62.26	III
Poverty	70.65	I
No Educational Progress	67.82	II
Anti Social Activities	43.80	VII
No social Growth	48.82	V
Social Backwardness	42.64	VI

Poverty is the most common crisis that exists in every fishing community. Here in Poompuhar also it stands on the top of the list. No Educational progress occupies the second rank. Average Dwelling scores the third rank i-e most of the fishermen live in poor facility houses in the study area. There is no chance to buy advanced household equipments in the study area by the fishermen, so it stands on rank four. No social growth occupies the fifth rank; social backwardness occupies sixth rank and

anti social activities occupies seventh rank in the study area.

**Table - 14 Problems Faced by Fishermen in Poompuhar****Source: Primary Data**

Source	Mean Square	Rank
At the time of fishing	69.85	II
At the time of fish selling	76.59	I
In the society	50.94	V
In the family	41.45	VI
Transportation of fish products	58.69	III
From Bank and other financial institutions	48.53	IV
From Owners, buyers and sellers	37.72	VII

The above table highlights the problems faced by fishermen in Poompuhar. At the time of fishing selling they face many problems, so it scored the first rank in the list. The second rank occupies the problems arises during the time of fishing. The third problem faced by the

sample respondents in the study area is relating to the transportation of fish products. The

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fishermen said that they are facing lots of problems from banks and other financial institutions, so it occupies fourth rank. The fifth rank occupies problems in the society and sixth rank occupies by the problems in the society. The sixth and last rank in the list is between the owner and the sellers and the buyers.

### Findings

The following findings are extracted from the present study.

- ✓ 75 percent of respondents involved in the fishing activities. 15 percent of the respondents are related with fish vending activities and only 10 percent of the respondents work in the field of fish processing.
- ✓ 47 percent of the respondents live in concrete houses in the study area of Poompuhar.
- ✓ 71 Percent of the respondents are having their own houses to dwell their life.
- ✓ 66 percent of the people depend on public water sources to satisfy their needs.
- ✓ 90 percent of the respondents said that their houses are electrified.
- ✓ 56 percent are using mechanized trolling boats to catch fishes. 25 percent are catching fish by Kattumaram.
- ✓ 58 percent of the respondents are sticking on this field for a very long period of time i-e., more than 20years. 22percent of the people are working in this field between 10-20years. 17 percent of the people have the working experience between 5-10 years and only 3 percent of the respondents took up this carrier only below 5 years back.
- ✓ 38 percent of the fishes are sold to wholesalers, 21 percent of the fishes are sold through direct marketing approach, and another 21 percent of the fishes are sold by fisheries societies.
- ✓ 40 percent of the respondents get their wages at fortnightly, 23 percent of the respondents get their wages weakly, and 19 percent of the respondents collect their wages daily.
- ✓ 80 percent of the respondents said that the income earned is not sufficient to meet out their expenditure.
- ✓ 46 percent of the respondents said that their economic position remain same.
- ✓ Poverty is the most common crisis that exists in every fishing community. Here in Poompuhar also it stands on the top of the list.
- ✓ At the time of fishing selling fishermen faced many problems, so it scored the first rank.

**Suggestions:** The government should take necessary steps to enroll more number of students in higher education from fishermen community. The government should also frame the necessary strategies to solve the problem of transportation of fish products to reach the ultimate consumers in time. More number of fish markets and fish processing units should be established in the study area to avoid middlemen and to earn more income by the fishermen in the study area.

### Conclusion

The standard of living of the fisher folk in the study area still remains unchanged. In this condition it is highly essential to take necessary steps to improve their income and to reduce their expenditure to reach a socio-economic balanced society. The fishier folk community should be encouraged to get proper education in order to plan their budget and flourish their life.

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## **RECENT TRENDS IN E – TOURISM**

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### **Abstract**

*This paper presents recent trends in E-tourism and the major e-tourism activities in the industry. The complexities and obstacles that are inherent nature of travel have to a great extent been eliminated due to E-tourism.*

### **Introduction**

The Internet and information technology have become the most imperative innovation in the history of mankind next to the invention of printing press. The Internet integrates numerous features of present media with new competence of interactivity and addressability; thus, it renovates not only the way individuals conduct their business with each other, but also the very significance of what it means to the society. The global tourism industry is one of the fastest growing, accounting for more than one third of the total global services trade. International tourist arrivals have grown by 10.2% in 2014. Tourism in India is growing rapidly. About 22.57 million tourists arrived in India in 2014, compared to 19.95 million in 2013. According to the World Travel & Tourism Council India has been ranked as the 38<sup>th</sup> country in the world in terms of foreign tourist arrivals. In 2014, Tamil Nadu, Maharashtra and Uttar Pradesh were the most popular states for tourists. Chennai, Delhi, Mumbai and Agra have been the four most visited cities of Indian by foreign tourists during the year 2011. Worldwide, Chennai is ranked 38 by number of foreign tourists, while Mumbai is ranked at 50, Delhi at 52 and Agra at 66 and Kolkata at 99. The Travel & Tourism Competitiveness Index 2015 ranked India 52<sup>nd</sup> out of 141 countries overall, Spain being ranked at first.

### **Meaning of Tourism and E-Tourism**

#### **Tourism**

Marketing of the enjoyable and other features of a travel destination and provision of facilities and services for the pleasure travelers (Tourists)

#### **E – Tourism**

E – Tourism can be defined as the analysis, design, implementation and application of IT and e – commerce solutions in the travel & tourism industry; as well as the analysis of the respective economic processes and market structures and customers relationship management

#### **Objectives**

1. To highlight the recent trends in e-tourism
2. To examine the major e-tourism activities in the industry.

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### Research Methodology

This article is prepared by the researchers mainly based on secondary data. The secondary sources of information were used and collected through news papers, magazine, books, journal, Government reports and websites to conduct the study.

### E- Tourism in India

The revolution of the Internet and information and communication technologies (ICTs) in India has had already insightful repercussions for the tourism industry. A whole system of Communication Technologies and the Internet has been rapidly diffused throughout Indian tourism sectors. Subsequently, online travel bookings and associated travel services are accepted as one of the most thriving e-commerce implementations. Tourism has closely been connected to progress of Information and communication system for over 10 years in India. The tourism industry initially concentrated on utilizing information system to increase efficiency in processing of information within and managing distribution. During the last decade of 20th century, India saw the emergence of e-tourism, its innovation and growth. It is because of the online revolution and its utility where the tourists are more interested to get information on destinations, facilities, availabilities, prices, geography & climate and present status of friendly relation.

This led to the development of e-commerce strategies in tourism industry and more services in the form of online hotel booking, flight booking, car booking, bus booking came into forefront as online services provided by the big online travel companies such as Travelchacha.com, Makemytrip.com, Yatra.com, Cleartrip.com, Ezeego1.com, Arzoo.com, Travelguru.com, Travel.indiatimes.com, ixigo.com, travelocity.co.in etc. On these sites, the travellers have wide option of exploring details of hotels, flights, cars, buses and other allied services. At present, the information and communication technology supports all operative, structural, strategic and marketing levels to facilitate global interaction among suppliers, intermediaries and consumers around the world and Indian players. Now in India the online travel bookings and associated travel services are recognized as one of the most successful e-commerce implementations. Many tourism-related organisations had to go through a major business processes re-engineering to capitalise on the emerging technologies in order to transform their service process and data handling to match the global standard. According to 2013 CNN global travel survey, India is now one of the top tourism destinations in Asia as it has received 3.3 million foreign tourists during the first half of this year. Currently the Indian market is well equipped and competitive as any of the international tourism market across the world as it was able to adapt to the rapidly changing IT enabled tourism process and service delivery by partnering with international participants. The amount of foreign direct investments (FDI) inflow into the hotel and tourism sector during April 2000 to April 2013 was worth US\$ 6,664.20 million, as per data provided by Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce.

#### Important Facts about Tourism

<b>I. India</b>	
No. of Foreign Tourist Arrivals in India	8.03 Million
Annual Growth Rate	4.5%
No. of Indian Nationals Departures from India Annual	20.38Million

Growth Rate	11.1%
No. of Domestic Tourist Visits to all States/UTs Annual	1432 Million
Growth Rate	11.6%
Foreign Exchange Earnings from Tourism In INR terms	135193 Crore (#2)
Annual Growth Rate	9.6%
In US\$ terms US\$	21.07 Billion (#2)
Annual Growth Rate	4.1%
<b>II. World</b>	
No. of International Tourist Arrivals	1184 Million (P)
Annual Growth Rate	4.4%
International Tourism Receipts	1232 US\$ Billion (P)
Annual Growth Rate	-4.9%
<b>III. Asia &amp; the pacific region</b>	
No. of International Tourist Arrivals	278.6 Million (P)
Annual Growth Rate	5.4%
International Tourism Receipts	418.9 US\$ Billion (P)
Annual Growth Rate	-0.3%
India's position in world	
Share of India in International Tourist Arrivals	0.68%
India's rank in World Tourist Arrivals	40th
Share of India in International Tourism Receipts	(US\$ terms) 1.71%
India's rank in World Tourism Receipts	14 <sup>th</sup>
<b>IV. India's position in Asia &amp; the pacific region</b>	
Share of India in International Tourist Arrivals	2.88%
India's rank in International Tourist Arrivals	11 <sup>th</sup>
Share of India in International Tourism Receipts	(US \$ terms) 5.03%
India's rank in International Tourism Receipts	7 <sup>th</sup>
<b>P : Provisional</b>	
<b>#2: Provisionally Revised Estimates (based on final FTA received from BOI).</b>	

Source: Indian tourism statistics 2015

### Recent Trends in E – Tourism

Beginning with the 80s, the Information and Communication Technology (ICT) transformed the domain of tourism globally. The achievements in the ICT domain changed undeniably the practices, the business strategies, but also the industry structure ally. (Porter, 2001). The development of the searching engines, the transport capacities and the speed of the networks have influenced the number of tourists from all over the world that use technology for planning and documenting their journeys. The latest trends in social media and tourism industry are explained with the help of some practical examples.

#### Trend I: The Mobile Web and Mobile Apps

Mobile is changing both the travel planning period and the in – trip experience. Particularly during the in – trip experience there is a lot of opportunity to make the traveler better informed, allow her to find the right restaurants and attractions tailored to her interests and time, and even provide special location - based features that can only be delivered via mobile.

**Trend II: Location – based social media; making travel more relevant:** Location – based services allow leaving information, guides and other tips in locations for people to pick up with their mobile device. You can also curate advice from other travelers based on locations – for example find a restaurant near your hotel based on people who have stayed in your hotel before. This sharing,

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commending and review via location will allow people to build personalized guides of places they are at and help them to build their experience beforehand but also whilst they are away.

**Trend III: Social Media Monitoring – listening to conversations:** What is being said about my company – how is the quality of my services perceived? To help shaping and improving the strategy around product and services travel companies can gain an ‘information advantage’ or utilize it as reputation management by closely monitoring the preference of their guests, as well as the way they communicate these preference on social sites.

**Trend IV: Customer generated review sites :** According to surveys more than two third of online travelers now cite travelers reviews websites as influential when planning their leisure trips. When it comes down to making the decision to book online, a positive review is almost as influential as price or special offers. With trip advisor having over 45 million visitors last month reading some of the 50 million reviews and opinions, reviews are essential to consumers in the travel planning process.

**Trend V: Social media platforms:** Anywhere from Face Book and Twitter accounts to reaching out to bloggers to gain popularity in the market are activities this industry is participating in. using Face book, both having a Face book page to build brand awareness and using Face book to display ads to build sales is an interesting strategy for travel companies.

### E-Tourism Players and their Activities

The main actors in the tourism industry include governments, tour operators, hotels, airlines and other transport operators, and tourists or consumers. Each of these actors has a stake in the development of the electronic market. Each is expected to be affected in different ways by the changes brought about by electronic commerce. Some of the e-tourism activities performed by the main stakeholders are discussed below.

#### E - Airlines

Due to the complexity of airline operations, they realised the importance of IT very early as they believed that it will help them making them efficient, quick, low-cost and accurate management of their inventory and in-house organisation. Initially the bookings and reservations were made on physical display boards, where the travellers were listed. Travel agencies had to locate the finest routes and fares in physical and then check availability and make bookings by phone, prior to issuing a ticket manually. Distribution is a vital component of airlines’ approach and competitiveness, as it determines the cost and the capacity to access the travellers. The cost of distribution is increasing considerably and airlines find it difficult to control. Currently, the communication technology is used heavily to support the Internet distribution of airline seats. These systems are at the heart of airline operational and strategic agendas. This is particularly the case for smaller and regional carriers as well as no-frills airlines which cannot afford GDSs’ fees and aim to sell their seats at competitive prices. This has forced even traditional or full-service to recognise the need for re-engineering the distribution processes, costs and pricing structures.

**E-Hospitality:** e-hospitality is beyond just distributing, servicing, as it offers more than that by supporting proven hospitality and technology products for the Hospitality Industry. Additionally, e-Hospitality offer support and services beyond just that of a front desk system vendor, therefore it is postured to assist properties with all aspects of the front desk and associated guest amenities from the phone system and voice mail to Pay per View (PPV) movies, secure high speed in rooms, lobby



kiosks, and even guest printing/faxing from the guest rooms. E-Tour Operators Leisure travellers often purchase “packages,” consisting of charter flights and accommodation, arranged by tour operators. Tour operators tend to pre-book these products and distribute them through brochures displayed in travel agencies. Recent times in India, the tour operators realised the benefits of utilising communication technology in organising, promoting, distributing and coordinating their packages.

### **E-Travel Agencies**

Information and communication technology has become a major tool for travel agencies as they provide information and reservation facilities and support the intermediation between consumers and principals. Travel agencies operate various reservation systems, which mainly enable them to check availability and make reservations for tourism products. Until recently GDSs have been critical for business travel agencies to access information and make reservations on scheduled airlines, hotel chains, car rentals and a variety of ancillary services. GDSs help construct complicated itineraries, while they provide upto-date schedules, prices and availability information, as well as an effective reservation method. In addition, they offered internal management modules integrating the “back office” (accounting, commission monitor, personnel) and “front office” (customers’ history, itinerary construction, ticketing and communication with suppliers).

### **E-Destinations**

Destinations are amalgams of tourism products, facilities and services which compose the total tourism expertise under one brand name. Traditionally the planning, management and coordination functions of destinations have been undertaken by either the public sector (at national, regional or local level) or by partnerships between stakeholders of the local tourism industry.

### **Conclusion**

Technology has made its mark on every sphere of life including tourism. The complexities and obstacles that are inherent nature of travel has to a great extent been eliminated due to E-tourism.

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