



# *Management - A Future Perspective*

*(An Edited Volume)*

**Editor:**

**Dr. Ezhilarasan. M**

**Head & Associate Professor in Business Administration**

**Editorial Board:**

**Dr. A. Madhu Prasad**, Assistant Professor in Business Administration

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**Dr. R. Rajesh Ramkumar**, Assistant Professor in Business Administration



**DEPARTMENT OF BUSINESS ADMINISTRATION**  
**ANNA NADAR JANAKI AMMAL COLLEGE, SIVAKASI**

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AYYA NADAR JANAKI AMMAL COLLEGE, SIVAKASI.**

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**Date : 16.03.2018**

### **FOREWORD**

In the present scenario, Management is playing a vital role in various Administrative fields. To lead our country to compete with the global competition, both administrative and executive competencies are essential. There is a wide shift in the concept and practice of management concepts. In this background, the **Department of Business Administration (Regular)** of our college had organized a **One Day National Conference on "Management – A Future Perspective"** sponsored by UGC under Autonomy Grant on 16<sup>th</sup> February, 2018. I am sure that all the participants of this conference were immensely benefited from the sessions.

My hearty congratulations to **Dr. M. Ezhilarasan**, Organizing Secretary and the Editorial Board members for their effort in bringing out the papers presented in the Conference as an Edited Volume.

**Thiru G. ABIRUBEN, MBA,**  
**Correspondent**

**Dr. V. PANDIYARAJAN**  
M.Sc., M. Phil., B.Ed., Ph.D  
PRINCIPAL

**AYYA NADAR JANAKI AMMAL COLLEGE**  
(Autonomous, College of Excellence affiliated to Madurai Kamaraj University)  
(Reaccredited with A Grade earning 3.67 out of 4 in the 3<sup>rd</sup> cycle by NAAC)  
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## **FOREWORD**

Autonomy has enabled us to make several initiatives with regard to various schemes for the benefit of students who enter the portals of this college in their pursuit of higher education. Conduct of National Conferences is one such attempt and hope this would be very useful to our students when they enter into higher education and job careers. This edited volume is an outcome of the One Day National Conference on Management – A Future Perspective sponsored by UGC under Autonomy Grant organized by the Department of Business Administration on 16<sup>th</sup> February 2018.

I acknowledge the contributions of the Editor Dr. M. Ezhilarasan, Head & Associate Professor, Department of Business Administration and that of the Editorial Board Members Dr. A. Madhu Prasad, Dr. A. Kavitha, Dr. K. Dhanalakshmi, and Dr. R. Rajesh Ramkumar, Assistant Professors in Business Administration of our college in the preparation of the Edited Volume of the papers presented in the Conference. I am sure this will be beneficial for both the teachers and students who have contributed in the conference.

I appreciate the efforts taken by Dr. L. Isaiarasu, Dean – Curriculum Development Cell of our college in bringing out the publication of this book for the benefit of staff and students of not only our college, but all institutions from where papers had been contributed.

**16.03.2018**  
**SIVAKASI**

**V. PANDIYARAJAN**  
**Principal**



# Curriculum Development Cell

## Ayya Nadar Janaki Ammal College

### Sivakasi, Tamilnadu, India – 626124

(Autonomous College affiliated to Madurai Kamaraj University; Recognized as a College of Excellence by UGC; and awarded STAR status by DBT; Reaccredited with A Grade by NAAC awarding CGPA of 3.67 out of 4 in the 3<sup>rd</sup> cycle; Ranked 13<sup>th</sup> in the NIRF ranking 2017 for the Arts & Science Colleges by MHRD, New Delhi)

**Dr. V. Pandiyarajan,**  
M.Sc., B.Ed., M.Phil., Ph.D.  
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Deputy Dean

### **FOREWORD**

Management has emerged as an outstanding academic discipline and finds moorings in the administration of any organization, whether it is a business, a not-for-profit organization or a government body. It consists of the interlocking functions of creating corporate policy and organizing, planning, controlling, and directing the resources of any organization in order to achieve the objectives and sustained growth of that concern. Managers as the executive members of the administration need to know and employ varied techniques at different times with different people. Management courses are considered resourceful in moulding their students who become adept at developing employees, inspiring and guiding them. The Department of Business Administration in our College has a proven history of having produced such leaders from the portals of this institution.

It is heartening to note that the Department of Business Administration of our college has successfully conducted a National Conference "Management-A Future Perspective" availing financial assistance from the University Grants Commission and that there were invited lectures besides several paper presentations all highlighting the future perspective of management studies. This we hope has helped to create awareness among our students a positive mindset to come out as successful managers and leaders.

We feel happy about bringing out the publication of the Proceedings of this National Conference with the view that this will further help our students and other academics as a useful document on management. Our appreciations and good wishes to Dr. M. Ezhilarasan, Associate Professor and Head, Department of Business Administration, the organizing Secretary of this National Conference and all concerned in this regard.

**Dr. L. ISAIARASU**  
Dean, CDC.

**16-03-2018**  
**SIVAKASI**



**DEPARTMENT OF BUSINESS ADMINISTRATION**  
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College of Excellence)



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**FROM THE EDITOR'S DESK**

A social welfare based management framework will allow a company to think about making a decision and its ramifications. It is in this background that the Department of Business Administration of Ayya Nadar Janaki Ammal College had organized a national level conference on Social Welfare - A Management Perspective sponsored by UGC Autonomy Grants to bring together academicians, industrialists, professionals and researchers in management and its related fields on 16<sup>th</sup> February 2018 at our campus.

Around 175 participants attended the Conference in which 67 papers were read. Two paper from K LH (Koneru Lakshmaiah Hyderabad), one paper from Gates Institute, Andhrapradesh, one paper from Pondicherry University, one paper from Anna University, Chennai, four papers from Alagappa University, one paper from Manonmaniam Sundaranar University, one paper from Bharathiar University, eight papers from Bharathidhasan University, fourteen papers from Kalasalingam University, Krishnankoil, four papers from Sermathai Vasan College, Madurai, one paper from EMG Yadava College, Madurai, one paper from Thiagarajar College, Madurai, one paper from MK University College, Madurai, four papers from VHNSN College, Virudhunagar, seven papers from Sri Kaliswari College, Sivakasi, and sixteen papers from Ayya Nadar Janaki Ammal College, Sivakasi were presented in the conference. Out of these, 46 papers have been brought out as an edited volume.

The Editor and the Editorial Board members place on record their sincere thanks to UGC, The Correspondent, The Principal, The Dean of CDC, and all the contributors.

**SIVAKASI**  
**16.03.2018**

  
**Dr. EZHILARASAN.M**  
**EDITOR**



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## 1. HANDLING CORPORATE CRISIS-A CAUSE ANALYSIS

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### **ABSTRACT**

*Crisis affects the economic, social, traditional, psychological and legal aspects of an organization. An analysis of the real causes of a crisis or serious problems in a company's operations, which should not be confused with the symptoms or consequences of a crisis, is extremely important, as it can be used to identify the areas whose effects need to be limited or eliminated. Despite the fact that in business practice there are often suggestions and pressures in the recovery procedure not to deal with the analysis of the causes that brought on the crisis, claiming that it is all in the past and solutions have to be found for the future, the analysis of the real causes for the preparation of a recovery plan of a company is as important as the preparation of the measures to achieve the desired changes. To resolve a crisis, its real causes need to be eliminated or minimized, while working on the wrong causes are just a further waste of time, money and effort, which only makes the crisis situation worse. In the empirical part of the article, using a sample of 240 Indian small and medium size companies in difficulty, the causes, as were listed by the management of these companies, were studied, while two stances were adopted regarding the two set hypotheses.*

**KEYWORDS:** Crisis, Corporate Crisis, Causes, Corporate, Individuals, Groups, Persons.

## **INTRODUCTION**

### **1. Dimensions of a Crisis**

A crisis can have many various dimensions. From an economic standpoint, there are global financial or economic crises, crises of related economies or regions, national economic crises, industry crises and corporate (organizational) crises. It creates a distressing situation that influences business flow. A crisis in the socio-economic environment directly or indirectly affects the position of individual companies or other organizations which may be more or less connected with the broader scope of the crisis. Crandall & Mensah (2008) opined that a crisis in one sector may have a significant negative impact on the companies from completely different sectors. It can impact any company even if at a certain time the company is efficient in a fast-growing and, according to all criteria, a high-potential industry, as the crisis can be caused by reasons which are not directly connected to the same industry.

The crisis will change the behavior of the individuals and certain groups in society, and increase the proportion of individuals below the threshold of economic and social risks (the social aspect). The traditional aspect means that the crisis brings a break with previous practices (i.e. business models, structures, processes, systems, strategies and culture) and starts a new business life cycle of the organization; new foundations for the construction of the core capabilities of the organization and competition factors are required, and it brings new management ideologies and approaches. From the psychological aspect the crisis promotes a state of tension and conflicts between the participants of the organization, worry, stress and uncertainty, and promotes the culmination of problems of the organization with

only two possible solutions—the ruin or survival, resulting in a change in the “psychological profile” of the organization and its members. And finally, the legal aspect will be stressed as the crisis requires a greater consideration of additional specialized laws and implemented policies, primarily of obligation, equity and insolvency law, a more strict compensation and social responsibility of the management, and draws the functioning of the organization closer to the edge of legality and legitimacy. When dealing with crises it would be highly recommended to take these aspects into consideration.

The crisis may also affect non-profit institutions and organizations also. Spillan (2003) distinguishes between the following categories of critical events like executive crisis (e.g. problems in the computer system), problems with the public (accidents related to the activity or product with a negative impact on the public), unethical behavior (fraud, espionage, campaigns, theft, workplace violence, etc.), natural disasters (floods, storms, earthquakes etc.), and legal crises (compensation, investigations, lawsuits etc.). A crisis is a short-term unfavorable situation in a company (organization), directly endangering the existence and further development of this organization and is caused by an intertwined and simultaneous action of both external and internal sources (Dubrovski, 2004; Dubrovski, 2011: pp. 31; Barnett & Pratt, 2000; Barton, 1993; Crone, 2007; Fearn-Banks, 2011: pp. 2; Fink, 1986; Grünert, 2007: pp. 9; Heath, 1998; Hermann, 2008: p. 211; Homel, Knecht, & Wohlenberg, 2006: pp. 33; James & Wooten, 2010: pp. 17; Kraus & Becker-Kolle, 2004; Lalonde, 2008: pp. 24; Lerbinger, 1997; Neubauer, 1999: pp. 8; Roux-Dufort, 2003: pp. 51; Slatter, 1987).

## **2. Crisis Symptoms**

Symptoms are signals (signs) that can indicate a possible crisis in a company or foresee one. Detecting them in time by implementing the proper preventive actions and timely curative activities can mitigate the effects of the already existing crisis or even prevent its occurrence. This is why it is of the utmost importance that signals such as these are not overlooked, disregarded or underestimated, although these should not be confused with the actual causes of a crisis. This is because there are various possible reasons for the symptoms; they signalize a crisis without also simultaneously being the cause of its occurrence. Symptoms therefore only warn of an illness. If the cause of an illness is not identified and treatment is not applied at the source, the patient, despite treatment, can still die. Symptoms indicate a specific illness, but it is the causes that must be treated. However, it is true that crises sometimes occur even without warning symptoms.

In spite of the many lists of possible crisis symptoms that exist in the expert literature, and even more could be determined using a case study, it is advisable to classify these according to the sector of business, as this makes it possible to more easily establish a foundation to carry out an analysis of signalized events and their causes. Based on the results of empirical research carried out by British companies, Slatter (1987, 1990) lists 10 (ten) typical symptoms, Boeckenfoerde (1993) sets out 25 (twenty-five), Faulhaber & Landwehr (2005: pp. 18) 28 (twenty-eight) into a total of 7 (seven) groups and Wildemann (2004: pp. 194) lists 30 (thirty). Hommel, Knecht & Wohlenberg (2006: pp. 38) classify 28 (twenty-eight) symptoms into 4 (four) thematic groups depending on the credit institution (banks). Others, such as Crone (2007: pp. 11), Dubrovski (2011: pp. 57-64), Haarmeyer & Stoll (2004: pp. 22-23), Krauss & Gless (2004: pp. 118), Seefelder (2007: pp. 81) and Wilden (2004: pp. 23), have also addressed the analysis and classification of symptoms. As mentioned earlier, in business practice each individual situation can show different symptoms which can appear in the area of sales and marketing (declining of market shares, decreasing of orders in the next business period, increase of stock, increased rate of customers' complaints and product recall etc.), in the area of finance and accounting (worsening of financial results, creative accounting to present better results, increased number of legal

procedures etc.), in the area of development and production (declining productivity, failures in production, postponed development projects etc.), in the area of human resource (leaving of the best workers, dissatisfaction, changed behavior of management, spreading of unhealthy corporate culture etc.), in the area of organization and information (limited communication, the appearance of informal parallel organization, obsolete organizational procedures etc.), and in the area of external environment (cancellation of bank credit lines, negative comments in media, additional guarantees are required by business partners etc.).

In some cases, individual symptoms can manifest themselves in the role of the causes of the crisis, when they are so influential that they can directly affect the success of the company. When treating a crisis based on the elimination of causes, the key question is whether a specific event or situation occurs in the role of a symptom or even the cause of a crisis. Lymbersky (2014) indicate the reasons for a crisis need to be distinguished from its symptoms, which signal the beginning of a crisis but are not the cause of its development. The symptoms arise in various areas, whereby they often manifest in a combination of forms and in connection with others. It is very important to take into account the fact that there is a time delay between a symptom's occurrence and the possible event (process, phenomenon) that it warns of, as well as the time period and circumstances in which they occur. This makes it even more risky if the company does not notice the warning signs or ignores them as, as a rule, there is always a series of early warning signs that occur before a crisis. When the symptoms have been identified, they need to be analyzed and interpreted as to determine the causes behind the events that they signalize, and eliminate or minimize the causes using suitable measures and approaches. The symptoms of a crisis are even more difficult to determine, when there is an economic boom, as the general increase in demand masks many weaknesses of a company. However, in a recession the situation is reversed—all issues that had been previously unnoticed or had been swept under the carpet come out into the open.

### **3. Causes of the Crisis**

In comparison with symptoms which simply indicate or predict a crisis situation, causes are the real culprits for the situation created. When discussing crisis resolution, it is the causes that must be analyzed and eliminated, and focus should not be placed on the symptoms. Despite there being quite a few classifications of the causes of a crisis in the literature, these definitions of the causes are quite similar among each other, only differentiating in their terminology, the period they were created, the place they refer to, and the predominant type of business. There is basically no general theory that would explain the causes behind the crises and natural disasters, while researchers only agree on the opinion that "total prevention of these is impossible" (Boin, 2008: pp. xxiii). Some of the sources are: Bellinger (1962: pp. 58), Bibeault (1999: pp. 28), Boeckenfoerde (1993), Crandall, Parnell, & Spillan (2014: pp. 55-65), Crone (2007: pp. 9), Harz, Hub & Schlarb (2006: pp. 45-46), Kraus & Becker-Kolle (2004: pp. 15-16), Lymbersky (2013), Mitroff, Pauchant & Shrivastava (2006: pp. 51), Müller (1986), Pate (1999: pp. 55), Pümpin & Prange (1995: pp. 201), Richardson (1994), Slatter (1987: pp. 25-55, 1990), Schellberg (2008: pp. 57), Wildemann (2004: pp. 193).

The causes for the emergence of crises can be classified in two ways, depend on the level from which they influence a company position and where they appear (inside or outside the company) are the direct and indirect causes and external and internal causes. Direct causes are those that are the most inextricably linked to the crisis, and their impact on the occurrence of a crisis situation is definitive (direct level). A drop in market share can be a direct cause of a crisis (direct level), but other, indirect level 1 causes (e.g. issues with quality) have an effect on them beforehand, and level 2 direct causes affected them before that (e.g. outdated technology cannot provide high-quality production), and level 3 causes affected them (e.g. unsuitable maintenance of key hardware), and so on in a chain reaction.

The direct causes can be easily identified (decrease in market share in percentage), however, the subsequent (indirect) causes can be in many cases found out only by a deep and careful analysis.

External causes of crises are usually those that formed in the company environment and on which the company did not have much influence. This is why they are often called objective and exogenous causes. Internal causes are those that formed within the company, which is why they are also known as subjective and endogenous causes.

External causes of crises (influencing position outside the company) can be:

1. **Changes in the market:** Stronger and more numerous competition, a general fall in prices or demand, changed consumer behavior, tight supply market conditions, increasing requirements for environmental and consumer protection, government regulations, etc.
2. **Changes in the industry:** Concentration in the industry, hostile takeovers, industry crisis failed takeovers, trade union requirements, suspended reproduction and distribution chains, changed relationships between related or affiliated industries, etc.
3. **Changes on the basis of general and technological progress:** The extinction of the need for specific materials, products or services, and the emergence of new ones, change in technology, new ways of offering products or services, etc.
4. **A general economic crisis:** A decline in investments, austerity measures, a decline in economic activity or a recession, a negative rate of economic growth, credit crunch, etc.
5. **Social changes.**
6. **Political changes:** The state's bilateral and multilateral treaties, integrations and disintegrations, wars and tensions, sanctions, protectionism, legislative changes, etc.
7. **Macroeconomic measures:** The price of financing resources, foreign exchange rates, customs, changes in the tax and social security burdens on companies, agreements between employers and employees, the complexity and lengthiness of different procedures, etc.
8. **Natural disasters:** insurance claims, etc.
9. **Socio-pathological phenomena:** Kidnapping, extortion, sabotage, terrorism, scheming with products, etc.

In addition to the aforementioned external causes, there are also others that can be classified as special causes, as they do not occur very frequently, but can play a key role in the emergence of a corporate crisis. Slatter (1990) and Argenti (1976: pp. 134), for example, mention taking on large projects and business that are more than the company can manage, which then, due to not enough available funds for their execution, lead to a crisis situation that often ends in bankruptcy. Rovenpor (2008: pp. 109) mentioned that the organizational crises occurs due to so-called premature aging syndrome or burnout syndrome.

Even state aid can be classified among the external causes of crises, despite the fact that the budgetary resources were supposed to be allocated to the resolution or prevention of crises, but due to the outside funds being obtained, the company's management does not prepare nor adopt the required measures, but is simply satisfied with making cosmetic fixes, which only postpones the emergence of a crisis. State aid is therefore often used a crutch for management, who take advantage of this so they do not have to take any action.

The following are the examples of internal causes of crises in manufacturing companies are shown that are based on several empirical studies from various industries in India in the period of 2007-2017:



## INTERNAL CAUSES OF CRISIS – EXAMPLES

1. **Inadequate competency of the management:** Bad business decisions, operating without strategic orientations, lack of interest and motivation, misleading planning, lack of vision as well as a marketing mindset and conduct, use of old, previously used business models, delayed reactions, lack of transparency in operations and lack of traceability in processes, lack of monitoring for signals from the environment and passiveness, relying and waiting for outside aid, unrealistic evaluation of future possibilities, unsuitable style and old, previously used management concepts, poor supervision of execution, unplanned exchanges in generations with conflicts, etc.
2. **Obstructive organization structure:** Too many hierarchic levels, elements of bureaucratic management, unsuitable organizational form in view of the sales and production or service program, unsuitable staff in key areas of the organization, outdated organization structure, prioritizing the organizational form over the content, the belief that a change in organizational structure will solve all problems.
3. **Uncompetitive market position:** Outdated products and services, products with a smaller added value, lack of market research and response according to their own judgment, bad marketing mix design and its individual components, errors when forming selling prices, too expensive sources of supply and the lack of marketing to suppliers, excessive dependence on foreign supplier channels, incorrect assessment of the market and consequently also marketing investments, issues with products (services) that then require withdrawal from the market, failure to manage the service part of the value chain, failure to manage costs that directly reduce competitiveness.
4. **Problems with the management of co-workers:** Recruitment that does not follow principles of the professionalism and suitability of staff nor that of a better successor, chaotic fluctuation without the transfer of business (handovers), unsuitable qualification and age structure, ineffective motivation and development of employees with an unfair pay policy, too many people with special statuses, outdated methods of managing and dividing up working hours, obstructive or toxic corporate culture, lack of HR (Human Resources) development strategy with no link to the strategic goals of the company, personal disputes and conflicts, negative HR selection.
5. **Too expensive production and ineffective logistics:** Insufficient quantity and value productivity, obsolete technological process and mechanical equipment, lack of comprehensive quality management of products and processes, inability to separate between the core processes and complementary activities and the consequently inappropriate cost structure, lack of development and innovation, investments in the production and technological process without prior market research, lack of modern technological and production expertise.
6. **Neglected financial function:** Failure to manage corporate finance principles, failure to manage financial resources, unsatisfactory supervision of the liquidity situation, failure to manage financial risk, not effective enough warning system, unsuitable accounting system (e.g. the distribution of overheads), disregard for well-known principles and rules of financing, insufficient internal financing, uneconomical handling of instruments for the security of payables and receivables.
7. **Inefficient information system:** Lack of information that is crucial for ongoing business decisions, mismatch between the hardware and software with the company's characteristics, the belief that all problems can be solved with the most high-tech equipment and including more outside associates.
8. **Inadequate research and development:** Underestimating the value of R&D for future success and consequently not enough investment into R&D, initial development projects are not backed by marketing and finance, the role of R&D is

implemented without any clear strategic concept in relation to the vision of the development of the entire company, despite extensive investment.

Of course, there are also other lists of different causes which can be used in a concrete research. For example, The Turnaround Management Society survey highlights the internal and external causes that 405 corporate restructuring specialists have witnessed in their assignment over the last five years (Lymbersky, 2013).

The listed potential causes should be treated as a tool in the analysis of the company's position, as it needs to be taken into account that every company, with its models, processes, structures, systems, products, history and people, is its own special business model that should be studied as such.

Despite the fact that in business practice there are often suggestions and pressures in the recovery procedure not to deal with the analysis of the causes that brought on the crisis, claiming that it is all in the past and solutions have to be found for the future, the analysis of real causes for the preparation of a recovery plan of a company is as important as the preparation of measures to achieve the desired changes. Crises are treated by resolving or minimizing its real causes, making the analysis of the causes of the situation that was created an essential and integral part of crisis management.

#### **4. Real Cause Analysis**

When defining the crisis, it was emphasized that it is a combination of internal and external causes that, as a rule, lead to a crisis. When management analyses the causes themselves, they overestimate external causes almost without exception, and underestimate internal ones, which is understandable as the latter are a direct criticism of the previous management.

An analysis of the real causes behind a particular situation is extremely important, as it can identify those areas (processes, phenomena, events) whose effects need to be limited or eliminated. Working on the wrong reasons is just a waste of time, money and effort, which only makes the crisis situation worse. Lymbersky (2014: pp. 47) has stressed that knowledge of what exactly leads to a crisis and an analysis of these factors are essential in order to recognize a crisis at an early stage and serve as a foundation for handling it.

Often, the problem is that the symptoms, causes, reasons and effects are identical (e.g. key employees leaving, delays in payment, employees' dissatisfaction, etc.). This is why crises are often "a multi-level constellation of causes and effects in which events that were recognized as causes on the level of crisis causes then become effects on another level that follows the first" (Boeckenfoerde, 1993). In a risky social environment, crises often do not have a clearly defined origin or cause.

Studying the causes of crises can be based on quantitative data and analyses, qualitative data and analyses and data and analyses of theoretical models. While the first type studies the connections between effects and causes that can be expressed quantitatively (market share, financial comparisons, comparison with the competition or similar companies or industries, etc.), the second type of research applies to the so-called soft elements of business that usually give experts (consultants, industry experts) a better insight into operations than just statistical comparisons. Although there is some sense in preferring qualitative studies, the best results are achieved if these findings are supported by quantitative analyses (e.g. levels of performance monitoring). The use of theoretical models is suitable in the event that the presuppositions of a model are as close as possible to the characteristics of the particular company and its environment.

The following possibilities must be considered when analyzing and interpreting causes:

1. The multi-causality of crises (the combined effects of several causes);

2. The causes being identical to the symptoms, effects and consequences (the same event can have various roles and therefore requires several different measures);
3. The spontaneous multiplying of causes (indirect causes of various levels affect the indirect cause); acceleration of causes (mutual strengthening as a negative effect of synergy).

## **5. Crisis Management**

The occurrence of a manageable crisis when there are at least slim possibilities of keeping or reviving the business, bringing negative trends to a stop or even beginning a new development cycle, can be referred to as the beginning of the recovery or rehabilitation of the company with the goal to fully eliminate the crisis.

The rehabilitation of a company denotes a process of recovery of a company in crisis with the goal to eliminate the existing unfavorable condition, which poses a threat to the future, to prevent further worsening within the management and to re-establish the conditions that will enable the company to continue to exist and develop. The rehabilitation process of the existing situation to re-establish normal operations and ultimately the further existence of the company is closely related to the existing crisis, therefore it must be separated from other projects, such as reconstruction, reformation, reorganization, redirection, restructuring, etc. which are not necessarily the result of an acute crisis, but are primarily aimed at preventing the crisis from emerging by establishing the further development of the company.

The rehabilitation process of a company most commonly takes place in the following phases:

- 1) Determining the causes of the crisis and the levels of its presence and intensity (rough analysis of the situation).
- 2) Evaluating the possibilities for resolving the crisis (pre-rehabilitation test).
- 3) Setting up crisis management.
- 4) A detailed analysis of the situation with the identification of the key areas of the measures.
- 5) Ensuring liquidity to establish minimum solvency.
- 6) Adopting other measures to halt negative movements and monitoring their effects.
- 7) Assessing the possible rehabilitation alternatives in view of the intensity level of the crisis.
- 8) Creating a strategic rehabilitation plan with simulations of business outcomes.
- 9) Preparation and implementation of medium-term development measures, and
- 10) Setting up a system of ongoing monitoring of the achieved effects and the reactions to them.

Some phases of the process of a company's recovery are implemented in a specific sequence, although it bears mentioning that they sometimes intermix and are implemented simultaneously, and the particular procedure of each individual phase also depends on the specific case in question. In phase one, the existence of a crisis and its intensity level are determined. If it is a latent crisis, the measures taken will be different from those taken if it is an acute crisis. Establishing the presence of a crisis is most commonly initiated by external parties (owners, creditors, supervisory bodies, auditors, industry experts, the interested public, etc.) and less frequently by upper management, as they are unwilling to admit the presence of acute problems. When there is clearly a crisis already present in the company, it is necessary to identify the underlying causes of its occurrence, whereby the statements from the existing management should not be relied on as they usually overestimate the external causes and underestimate the internal causes. It is advisable that the causes of the crisis are analyzed in cooperation with outside experts. The purpose of this type of situation analysis is to determine the possibilities to eliminate the causes and in doing so treat the crisis situation.

## 6. Research Questions, Hypotheses Formulation and Verification

Dubrovski (2009) said that a more or less typical pattern of predominant errors in management were identified as the most important cause of a crisis in the individual periods of the Indian economic and social transition. In another study (Dubrovski, 2010), among other things (in connection with the area dealt with here) it was determined from a sample of 107 companies in difficulty that, according to the management's opinion in the majority of these companies, that the key cause of their problems was the global financial and economic crisis as well as changes in the market, with both factors together representing as much as 74.6% of all causes of the crisis. All the internal causes represented only 18.5% of causes.

**Table 1: Causes of the crisis according to the management of the companies in crisis.**

	Type of Cause	Written Cause of Crises	Study 2006 (N = 200)		Study 2017 (N = 240)
			Percentage %	Number statements	Percentage %
1	External Cause	Global financial and economic crisis	42.3	92	28.4
2	External Cause	Macroeconomic measures	4.4	5	1.5
3	External Cause	Changes in the market	31.3	34	10.5
4	External Cause	Political changes	0.6	4	1.2
5	External Cause	Changes due to general progress	1.2	27	8.3
6	External Cause	Unresponsiveness in bank lending	NA	76	23.5
	Total		79.8	238	73.5
1	Internal Cause	Uncompetitive market position	6	14	4.3
2	Internal Cause	Cost ineffectiveness	5.5	11	3.4
3	Internal Cause	Bad decisions or the inadequacy of management in the past	2.7	6	1.9
4	Internal Cause	Bad decisions or inadequacy of management in the present	0	0	0.0
5	Internal Cause	Problems in human resources—management of employees	3.3	32	9.9
	Total		17.5	63	19.4
	Other		2.7	23	7.1
	Grand Total		100	324	100.0

The findings from the theoretical discussions here and prior studies have been verified with new empirical research in 2018 through studying a sample of 240 companies in an acute crisis in India during 2007 to 2017 that attempted to solve the crisis with an insolvency procedure of a compulsory arrangement. A company in compulsory composition proceedings must submit a financial restructuring plan to the trustee, the court and the creditors as an offer for the adoption of the proposed settlement, and on which the creditors take a vote. This plan (comparable to a rehabilitation program in out-of-court restructuring) must also include a description of the causes of the company's insolvency, and a description of the measures to

eliminate the causes of insolvency, The Insolvency and Bankruptcy Code (IBC), 2016. The plans have been made public. For it to be possible to carry out a comparison with the study from 2007 to 2017, the causes of the crisis, taken from these plans, were grouped into the same groups (Table 1). The comparison, although not including the same sample of companies, was also made possible in a simplified way due to the fact that the management also determined the causes of the formation of the crisis.

The Table 1 indicates that the management of the companies in difficulty that were in compulsory composition proceedings also state in the 2018 study (several causes were listed in every case) that the key reasons behind the crisis in their company originate from the external environment on which they have no influence (in 7.1% cases, it was not possible to classify the cause stated according to the groups used), and only a small section stated that the crisis formed due to internal causes, and, of that, the majority were regarding the management of employees, primarily referring to there being too many employees, therefore layoffs were foreseen. On the one hand, this result is in accordance with the findings in theoretical discussions and other studies which state that when the management itself evaluates the causes of the crisis, they greatly overestimate the external causes while hardly even mentioning the internal causes (e.g. none of the companies evaluated that it was due to poor decisions or a lack of management that caused the issue, despite this being the most common cause of crises in companies).

On the other hand, these results confirm the aforementioned need for an analysis of the real causes of a crisis. If the wrong causes are identified, the approach to rehabilitating the crisis or serious problems will be incorrect. If every industry faces the same consequences of a crisis, but the success level of the individual companies within the industry is very varied (some companies even increased their success during a crisis), then some other causes (predominantly internal ones) must have been left out.

In relation to the findings from the theoretical discussions and presented study, the following statements (hypotheses) were set in advance:

H1: External causes by themselves cannot affect the formation of a corporate crisis.

H2: When the management analyses the causes of the formation of a crisis itself, it overestimates the external causes and underestimates the internal ones, which leads to a crisis being dealt with in the wrong way.

Internal and external causes (events, phenomena and processes) have a combined effect on the formation of a crisis situation or serious issues within a company. There are very few crisis situations that are the result of only one cause or other. If it were to be believed that a crisis could arise solely due to external causes—a claim that many examples of management would confirm without hesitation (our study showed that in the opinion of the management of the companies we surveyed, 73.5% blamed external causes for the problems that arose) then the entire industry that felt the impact of the same external causes would be experiencing similar issues. But the fact is that even within the same industry at the same time and under the same circumstances, examples of companies with both above-average success and failure can be found. If a company carries out an activity where there is a typically above-average growth rate, then errors or issues than would otherwise incur a severe crisis situation in a problematic industry should not have a fatal impact on this company. This means that the subjective decision (internal cause) was directly connected to the goings on in the environment (external cause). Internal causes in favorable marketing or economic conditions should therefore not be fatal to a company. However, in other (external) conditions, the same causes could be the downfall of the company. This is why it is worth emphasizing the combined functioning of both external and internal causes.

Companies that all operate in a declining industry may experience completely different success, which suggests that, within the same economic conditions (external cause),

a company can either improve or worsen their situation (internal cause) just with the business decisions it makes. If it were the case that crises occurred in companies that operate in chronically problematic industries, the management could not have an impact on this and the crises would emerge exclusively due to external causes, then the industries would be dying out completely. But, looking at the domestic economic environment, it is possible to find very good companies in the textile, shoemaking, woodworking, metalworking, and other "problematic" industries. The first hypothesis (H1) was therefore confirmed (despite the limits of the study), taking into account previous studies.

Management gets trapped in their cognitive preconceptions that tint their view of the world when it comes to assessing symptoms and causes of a crisis. These preconceptions can influence whether decision-makers arrive at conflicting conclusions. Barker (2005) posed the new management that had joined a company with the task of transforming it and the previous (dismissed) management (in an interview with 60 managers) the question, to what extent did senior managers affect the worsening success of the company's operations. The previous management stated that their decisions and work did not have a significant effect on the decreasing success of the company, while the new management stated that their influence was decisive. It is necessary to be aware of the dangers of various perceptions of a crisis as traps of noncritical subjective judgment. An insolvency procedure is a process, not a solution (Miller, 2008: pp. 202), which gives a company time and access to new ways of financing for the recovery and renewal.

## **CONCLUSION**

An analysis of the real causes to be used in the preparation of a rehabilitation plan of a company in crisis is just as important as the preparation of the measures to achieve a transformation in the company. Crises are treated by resolving or minimizing its real causes, making the analysis of the causes of the situation as an essential and integral part of crisis management. Measures taken in companies as a reaction to the external conditions that formed, whether these are even being prepared and actually implemented, are often (too) late and not comprehensive and radical enough, while simply referring to external causes of the crisis leads in the wrong direction of ensuring the survival and development of a company.

However, this research has shown that companies in crisis pay surprisingly little attention to the changes of their ineffective previous business models, usually dealing only with short-term and superficial measures, although the extent of the crisis is very deep and encroaching upon several areas.

A study of 240 Indian companies that solved the acute crisis during 2007 to 2017 with insolvency procedures of a compulsory arrangement showed that, regarding the perception of causes of the crisis from the management's perspective, external causes heavily dominated (75.5%), which then direct towards the wrong measures being taken to treat the companies. The two hypotheses that were studied and adopted were that solely external causes cannot affect the occurrence of a crisis and that when management analyzes the causes of the formation of a crisis itself, it overestimates the external causes and underestimate the internal ones, directing towards the wrong selection of measures to resolve the crisis.

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## 2. STRATEGIC HUMAN RESOURCE MANAGEMENT– A COMPREHENSIVE TOOL FOR ORGANIZATIONAL PERFORMANCE

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### **ABSTRACT**

*Many studies have indicated a significant relationship between the strategic human resource management (SHRM) and the organizational performance (OP). However, there is limited evidence of empirical studies in the Indian context. The influence of each variable measuring the major practice of SHRM on OP has not been tested in a comprehensive manner. So as to address the gaps in the literature, an empirical insight to explore the linkages to OP was considered significant. This study examined a) the aggregate influence of 5 (five) best practices of HRM (human resource management) on 5 (five) measures of financial organizational performance; and b) the influence of measures of OP on SHRM practices. The model was tested using multiple regression, ANOVA and chi square tests. Results indicated a strong relationship between the SHRM practices and OP and vice – versa; however, the direction of the relationship still remains unknown.*

**KEYWORDS:** Strategic Human Resource Management (SHRM), Managers, Organizational performance (OP), Person, Job, Best Practices.

### **INTRODUCTION**

There was past research evidence which empirically validates the significant relationship between strategic human resource management and organizational performance (Schuler and MacMillan, 1984; Schuler and Jackson, 1987 and 2005; Purcell, 1989 and 1995; Cutcher and Gershenfeld, 1991; Storey, 1992; Arthur, 1992 and 1994; Ichniowski, Shaw and Prensush, 1994,1997 and 1999; McDuffie, 1995; Dyer and Reeves, 1995; Huselid, 1995; Purcell, 1995; Delaney and Huselid, 1996; Huselid and Becker, 1996; ; Becker and Gerhart, 1996; Becker et al., 1997; Delery, 1998; Pfeffer, 1998; Wright and Snell, 1998; Gratton et al., 1999 and 2000; Wood, 1999; Guest, et al., 2000; Storey, 2001; Truss, 2001; Guthrie, 2001; Batt, 2002; Guest, et al., 2003; Paauwe, 2004; Paauwe and Boselie, 2005; Wright, Snell and Dyer 2005; Panayotopoulou, 2010). SHRM is termed as a source of competitive advantage that influences organizational performance.

### **PURPOSE OF THE STUDY**

1. To conduct an in-depth review of evidences differentiating SHRM and non-SHRM practices and also compile the line manager's perspective to what constitutes strategic human resource management practices.
2. To undertake an in-depth review of existing evidences to the linkage between SHRM and OP.
3. To empirically validate relationship between SHRM and OP.
4. To develop and test conceptual model highlighting the relationship between SHRM and OP.

The presence of certain set of strategic human resource practices is likely to positively influence the organizational performance i.e. organizations that use best practices of HRM

are likely to perform better than those organizations that don't follow the best practices. The broad research model proposes to link SHRM practices and OP. It attempts to explore the possible relationship between practices of strategic human resource management viz. HR Processes (HRP), Recruitment (REC), Performance Appraisals (PA), Training (TRA), Compensation (COM) and five measures of organizational performance such as Revenue (REV), Return on Investment (ROI), Market Cap (MC), Sales Growth (SG), and Net Profit (NP).

## **REVIEW OF LITERATURE**

The focus of current study revolves around exploring the relationship between strategic human resource management and organizational performance. As the awareness of SHRM has been raised in recent years, human resource managerial initiatives are considered a weapon that enables an organization to increase or nurture intangible assets and subsequently build a sustainable competitiveness advantage (Barney and Wright, 1998; Jun-Long Hong, 2002). In the rapidly evolving social and economic milieu, characterized by globalization and liberalization, organizations realized that for being successful in the given competitive scenario, they must have sustainable competitive advantage over the rival firms (Bowman and Singh, 1993; Huselid, 1995; Guest, 1997; Zenger and Hersely, 1997). Traditionally, natural resources, economies of scale, technical know-how, and quality used to be sources of competitive advantage (Thurrow, 1992). While, the above mentioned factors continue to be source of competitive advantage as they create value but are not enough given the market complexities (Becker and Gerhart, 1996) and failed to fulfill the role to beat their competitors (Pfeffer, 1994). The nature of managing human resources has become more complex and continues to pose serious challenges for organizations. The demographic profile of Indian workforce and professionalization of organizations along global competitors has created expectation among employees in terms of work values and style of management.

## **APPROACHES TO SHRM**

There are two major approaches to SHRM i.e. contingency and best practice approach. The contingency perspective is a series of empirical studies designed to determine whether business units that have achieved vertical and horizontal fit performed better than those that had not (e.g. Arthur, 1992; MacDuffie, 1995; Youndt et al., 1996; Delery and Doty, 1996; Ichniowski et al., 1997). To elaborate, as per the contingency approach, the variation in human resource practices across organizations should be explained by organizations' strategies (Delery and Doty, 1996), and closer the match between organizational strategy and human resources, better the firm performance will be (Miles and Snow, 1984; Schuler and Jackson, 1987; Bird and Beechler, 1995; Gomez-Mejia et al., 1995). On the other hand, starkly contradicting contingency approach, the basic argument in favor of best practice approach is that there are certain set of human resource practices that are better than the others and considered as positively influencing the performance. However, it is imperative for them to be embedded in the human resource architecture (Pfeffer, 1994; Becker and Gerhart, 1996). The current study exploring the relationship between SHRM and OP is based on the Best practice method or approach.

## **FORMULATION OF HYPOTHESIS**

### **Strategic human resource management and organizational performance**

The study suggests 5 (five) SHRM viz. HRP (HR processes), REC (recruitment), PA (performance appraisals), TRA (training) and COM (compensation) which are significantly influencing the OP viz. REV (revenue), ROI (return on investment), MC (market cap), SG (sales growth) and NP (net profit). The following explains the best practices of SHRM.

**HR processes** – Presence of HR department is considered by the stakeholders to meet all their expectations and objectives so as to add value to the corporate governance (CG) aspects that lead to high performance in the organizations (Ulrich, 1997; Becker and Gerhart, 1998;

Wright and McMahan, Snell and Gerhart, 2001). Takeuchi (2009) empirically validated the significant relationship between an explicit HR policy and organizational performance. An organization that implements SHRM includes the HR professionals as business partners by involving them in the strategic planning process (Ulrich and Beatty, 2001). The head of the HR function should be included at strategic decision making level by top management (Hall, 1984 as cited in Singh, 2003). Organizations that vertically align and horizontally integrate HR function and practices perform better and produce more committed and satisfied HR function employees who exhibit improve individual performance (Green et al., 2006).

**Hypothesis 1:** Organizations that are strategic in their HR Processes are likely to perform better in terms of (i) revenue; (ii) return on investment (ROI); (iii) market cap; (iv) sales growth; (v) net profit than those that are non-strategic in their HR processes.

**Recruitment** – Pfeffer (1984) said that the traditional practice of simply hiring the best doesn't benefit the organization rather the organization needs a best suited candidate. The aforementioned fit between person – job – organizations plays an instrumental role in more rapid implementation of corporate strategy (Schuler and MacMillan, 1984) and obtaining more profit from their people (Pfeffer, 1984). Equally vital are the type of skills and attributes that the organizations look for in a potential candidate. Lepak and Snell (1998) and Pfeffer, 1998 found out that candidate's knowledge, capacity to learn, interpersonal characteristics, personality, potential would be among the high performance work practices. However, to attract most suitable candidate with the required credentials, it is also important to make use of validated selection method.

The argument in favor of a validated selection method is ensuring whether the job applicant has the knowledge, skills and abilities that align with the core competencies a business relies on to create a competitive advantage (Hargis and Bradley, 2011). The traditional practice of HR highlighted attracting large pool of candidates which was considered as appropriate and benefitting for the organization. However, in the context of strategic nature of HRM, this assumption doesn't hold true anymore. The practice of attracting candidates from small applicant pool with high quality reflects reducing time and financial wastage (Phillips and Gully, 2011). Yet another practice of recruitment that is assumed to be strategic is use of multiple interviews and selection tests. It emphasizes the rigorous nature of selection process. The practice of hiring majority of employees as permanent reflects strategic orientation of the organizations. Permanent employees assumed to perform core work are more informative about the organization, have a feeling of being advantaged in terms of job security and rewards, are more committed to organizational efforts and goals (Boswell, 2006). The practice of internal recruitment has been identified as a strategic practice of HRM. The arguments in its favor posit that investment in the form of internal career opportunities leads to loyalty, enthusiasm, respect for company's values and traditions (Fred k foulkes, 1986) increases individual's willingness to develop firm specific skills (McDuffie, 1995) as well as the degree of understanding among employee groups (Collins and Smith, 2006), and generates capabilities, better coordination and control, and lower transaction cost (Panayotopoulou et al., 2010).

**Hypothesis 2:** Organizations that are strategic in their recruitment practices are likely to perform better in terms of (i) revenue; (ii) return on investment (ROI); (iii) market cap; (iv) sales growth; (v) net profit as compared to those organizations that are non-strategic in their recruitment practices.

**Performance appraisals** – Performance appraisals implemented with a developmental purpose yields direct relationship with job satisfaction and effective commitment (Youngcourt, Leiva and Jones, 2007), minimum rater bias and perception of being fair and accurate by the employees (Singh and Agarwal, 2011). A performance appraisal system based on result and behavioral criterion elicits a more accurate and fair system resulting into

increased employee commitment and organizational commitment (Paul and Anantharaman, 2003). Another practice of performance appraisals is the use of 360 degree appraisals instead of traditional methods of evaluating employees. Appraisals from multiple sources are viewed as more accurate, and this may be because employees may perceive that feedback from multiple sources is less likely to be biased by political and personal factors as opposed to single-source appraisals.

Moreover, appraisals that are feedback rich are perceived as fair in terms of procedural and interactive justice dimensions (Singh and Agarwal, 2011). Performance appraisal suggests feedback richness that indicates the extent to which appraisals are frequent, timely, and specific (Kinicki et al., 2004). Past research have shown evidence of strategic performance appraisals by collecting response on the duration of performance appraisals to test the relationship between strategic human resource management and organizational performance (Guest et al., 2003). However, Performance management system as a whole requires extremely careful formulation and implementation. It has the potential to positively influence employee performance but an important consideration with the appraisals is that whether they are practiced effectively and in alignment with their intended purpose (Milliman, et al., 2002) and business strategy.

**Hypothesis 3:** Organizations that are strategic in their performance appraisals (PMS) are likely to perform better in terms of (i) revenue; (ii) return on investment (ROI); (iii) market cap; (iv) sales growth; (v) net profit than those organizations that are non-strategic in their performance appraisals.

**Training** – Research showed a significant relationship between training practices and organizational performance (Harel and Tzafrir (1999), Huang (2000), Kundu (2000), Paul and Anantharaman (2003), Lee and Bruvold (2003), Arago'n-Sa'nchez et al. (2003), Blair and Sisakhti (2007). Training and development is perceived as the most important strategic HRM practice by managers. Investments in training and development of required knowledge, skills and abilities improve quality of employees (Jennings, Cyr and Moore, 1995), (Tsai, 2006) create dynamic business environment (Jarventaus, 2007), reduce likelihood of employees leaving the job (Batt and Colvin, 2011) and produce beneficial organizational outcomes (Arthur, 1994; Bartel, 1994; Knoke and Kalleberg, 1994; Russell, Terborg and Powers, 1985; Pfeffer, 1984, 1998; Tsui and Wu, 2005; Frayne et al., 2002). Wayne, Shore and Liden (1997) found out that organization pursuing profits through people show substantially larger training expenditures signaling commitment to their people.

Presence of training policy, training calendar and practice of updating / revising training calendar could be a reflection of value organizations attach to the training function. Fey et.al (2000) opined that the organizations which perform well are more likely to identify training and development as a highly valued function than those that perform poorly are. Training increases organizational performance (Harel and Tzafrir, 1999; Paul and Anantharaman, 2003). Huang (2000) mentioned that the organizations that provide training and development activities on a long term basis generally perform better than those firms that emphasize on short term basis. Panayotopoulou et al. (2010) found a significant and positive relationship between percentage of trained employees and organizational performance. General skills provide value to a firm; however, they are transferrable across a variety of organization (Wright and Barney, 1998). On the contrary, firm specific skills provide value only to a particular firm and are of no value to competing firms. In another research it has been found that investments in firm specific skill development among employees lead to sustained competitive advantage (Arthur, 1992 and 1994; Tsui, 2006). Logan et al. (2004) suggested that a successful organization doesn't outsource its training activity and it doesn't cut training when profitability eliminates.

**Hypothesis 4:** Organizations that are strategic in their training practices are likely to perform better in terms of (i) revenue; (ii) return on investment (ROI); (iii) market cap; (iv) sales growth; (v) net profit as compared to those organizations that are non-strategic in their training practices.

**Compensation** – Fred k foulkes (1986) opined that the presence of a compensation policy or philosophy is imperative in playing strategic role. A policy related to compensation provides clarity and stability in the compensation practices. Variable pay based compensation system offers a potential means through which organizations can align employee behavior with organizational goals. It is equally imperative to also ensure that organizations provide team / organization based incentive to the employees as the same generates shared goals and common interests. It encourages employees to work in teams and to be present at work, because maximizing their efforts has a positive effect on their income (Arthur and Jelf, 1999). In any compensation system, individuals can compare their pay to people outside their organization (Foulkes, 1986). The firms that perform well are likely to pay higher wages to attract qualified applicants than firms with poorer performance (Becker and Huselid, 1996). Therefore, also paying employees above industry standards positively influence retention of employees (Tremblay and Che`nevert, 2008).

Another imperative practice of strategic human resource management within the ambit of compensation system is employee ownership strategies such as employee stock option plans. When employees are owners, they act or think like owners. Employee stock options generate a feeling of loyalty among employee. At the same time, fear of losing monetary gains also motivates them to perform better. Also the practice of continuing to pay during recession ensures a sense of security in terms of the organization that the employees won't be leaving the organization frequently.

**Hypothesis 5:** Organizations that are strategic in their compensation practices are likely to perform better in terms of (i) revenue; (ii) return on investment (ROI); (iii) market cap; (iv) sales growth; (v) net profit as compared to those organizations that are non-strategic in their compensation practices.

## SAMPLING METHODOLOGY AND DATA COLLECTION

The study is a combination of descriptive and exploratory research design. Responses to SHRM practices were collected through primary source and data on measures of OP was collected through secondary source. Prowess' database was used to gather data on financial performance of the companies. Data was collected for each organization over a period of 5 (five) years (2012 – 2017) on the five measures of organizational performance: revenue (REV), return on investment (ROI), market cap (MC), sales growth (SG), net profit (NP). Each respondent organization was categorized into either non-strategic, moderately or strategic HR group and low, moderate or high performing group.

**Table 1: Responses per survey questionnaire**

Total questionnaire sent N=1400		No. of questionnaire received		No. of usable questionnaire		Total No. of usable questionnaire	Response rate (%)
HR	Non-HR	HR	Non-HR	HR	Non-HR		
700	700	600	575	525	525*	1050	75.00%
* (out of 575 questionnaires received from non-HR managers, 525 questionnaires were retained)							

Moderately SHRM group was not used for any detailed analysis. A pilot study was conducted to validate the data collection tool. A questionnaire was administered to non-HR managers of the sample organizations to seek their perception on whether they considered a given set of HR practices as strategic or not. Based on the responses received, changes were made in the questionnaire by dropping those practices that weren't perceived as strategic. The

revised questionnaire was then circulated to a set of 60 HR managers. On the basis of responses received, modifications were made in the questionnaire for final data collection. The survey questionnaire was sent to 700 companies seeking response from a non - HR manager and HR manager. Therefore a total of 1400 survey questionnaire was sent. The sample companies were chosen from BSE (Bombay Stock Exchange) listed organizations.

The Table 1 provides detail of the usable responses received out of the total number of questionnaires sent. Out of 700 BSE listed organizations approached for the purpose of the current study, total usable questionnaires were 525 resulting to a response rate of 75.00%.

Strategic human resource management practices were defined as a set of five major HR practices i.e. HR processes, recruitment, performance appraisals, training and compensation. Each of the practices was measured using a set of variables: HR processes (16 variables), recruitment (15 variables), performance appraisals (10 variables), training (16 variables) and compensation (8 variables). The respondents were required to put a tick against the practice they considered as strategic. The second tool was administered to the HR managers to capture whether the set of given practices are present or absent in their organization. The questionnaire comprised similar set of practices and variables, however, was structured differently. For the purpose of this study, organizational performance was measured in terms of five financial indicators i.e. revenue, market cap, net profit, sales growth and return on investment.

## RESEARCH FINDINGS

### Summary results for the influence of SHRM practices and OP

The following tables and paragraphs provide summary details of the relationship between practices of strategic human resource management and organizational performance. the study explores the relationship between five dimension of practices of strategic human resource management viz. HRP (HR Processes), REC (Recruitment), PA (Performance Appraisals), TRA (Training), COM (Compensation) and OP (Organizational Performance) measured in terms of five parameters viz. REV (Revenue), ROI (Return on Investment), MC (Market Cap), SG (Sales Growth), NP (Net Profit).

The table 2.1 provides detail of relationship between a practice of strategic human resource management i.e. HRP and OP in terms of REV, ROI, MC, SG, and NP.

**Table 2.1: Relationship between HRP and OP**

HRP & OP	REV	ROI	MC	SG	NP
$\chi^2$	YES	NO	YES	YES	YES
ANOVA	YES	NO	YES	NO	YES
Regression	YES	NO	YES	NO	YES

The summary results highlight a significant relationship between HRP and organizational performance in terms of REV, MC and NP.

The table 2.2 provides detail of relationship between a practice of strategic human resource management i.e. REC and OP in terms of REV, ROI, MC, SG, and NP.

**Table 2.2: Relationship between REC and OP**

REC & OP	REV	ROI	MC	SG	NP
$\chi^2$	NO	YES	YES	NO	YES
ANOVA	YES	NO	NO	NO	YES
Regression	NO	NO	NO	NO	NO

The summary results highlight no significant relationship between REC and OP.

**Table 2.3: Relationship between PA and OP**

PA & OP	REV	ROI	MC	SG	NP
$\chi^2$	YES	YES	YES	NO	YES
ANOVA	YES	NO	YES	NO	YES
Regression	YES	NO	YES	NO	YES

The table 2.3 provides detail of relationship between a practice of strategic human resource management i.e. PA and OP in terms of REV, ROI, MC, SG, and NP.

The summary results highlight a significant relationship between PA and organizational performance in terms of REV, MC and NP.

The table 2.4 provides details of relationship between a practice of strategic human resource management i.e. TRA and OP in terms of REV, ROI, MC, SG, and NP.

**Table 2.4: Relationship between TRA and OP**

TRA & OP	REV	ROI	MC	SG	NP
$\chi^2$	YES	YES	YES	NO	YES
ANOVA	NO	NO	NO	NO	NO
Regression	YES	NO	YES	NO	YES

The summary results highlight a significant relationship between TRA and organizational performance in terms of REV, MC and NP.

The table 2.5 provides detail of relationship between a practice of strategic human resource management i.e. COM and OP in terms of REV, ROI, MC, SG, and NP.

**Table 2.5: Relationship between COM and OP**

COM & OP	REV	ROI	MC	SG	NP
$\chi^2$	YES	YES	YES	NO	YES
ANOVA	NO	NO	YES	NO	YES
Regression	NO	YES	NO	NO	NO

The summary results highlight a significant relationship between COM and organizational performance in terms of ROI.

### **Summary results for the influence of OP on SHRM**

The following tables and paragraphs provide summary details of the influence of organizational performance on strategic human resource management. the study explores the aforementioned relationship between organizational performance measured in terms of five parameters viz. revenue (REV), return on investment (ROI), market cap (MC), sales growth (SG), net profit (NP) and five dimension of practices of strategic human resource management viz. HR Processes (HRP), recruitment (REC), performance appraisals (PA), training (TRA), compensation (COM).

The table 3.1 provides details of relationship between a measure of organizational performance i.e. REV and strategic human resource management (SHRM) in terms of HRP, REC, PA, TRA, COM.

**Table 3.1: Relationship between REV and SHRM**

REV & SHRM	HRP	REC	PA	TRA	COM
$\chi^2$	YES	NO	YES	YES	YES
ANOVA	YES	NO	YES	YES	YES
Regression	YES	NO	YES	YES	NO

The summary results highlight a significant relationship between REV and SHRM in terms of HRP, PA, and TRA.

The table 3.2 provides details of relationship between a measure of organizational performance i.e. ROI and strategic human resource management (SHRM) in terms of HRP, REC, PA, TRA, COM.

**Table 3.2: Relationship between ROI and SHRM**

ROI & SHRM	HRP	REC	PA	TRA	COM
$\chi^2$	NO	YES	YES	YES	YES
ANOVA	NO	YES	NO	NO	YES
Regression	NO	NO	NO	NO	NO

The summary results highlight no significant relationship between ROI and SHRM.

The table 3.3 provides details of relationship between a measure of organizational performance i.e. MC and strategic human resource management (SHRM) in terms of HRP, REC, PA, TRA, COM.

**Table 3.3: Relationship between MC and SHRM**

MC & SHRM	HRP	REC	PA	TRA	COM
$\chi^2$	YES	YES	YES	YES	YES
ANOVA	YES	YES	YES	YES	YES
Regression	YES	NO	YES	YES	NO

The summary results highlight a significant relationship between MC and SHRM in terms of HRP, PA, and TRA.

The table 3.4 provides details of relationship between a measure of organizational performance i.e. SG and strategic human resource management (SHRM) in terms of HRP, REC, PA, TRA, COM.

**Table 3.4: Relationship between SG and SHRM**

SG & SHRM	HRP	REC	PA	TRA	COM
$\chi^2$	YES	NO	YES	NO	NO
ANOVA	NO	NO	NO	NO	NO
Regression	NO	NO	NO	YES	NO

The summary results highlight no significant relationship between SG and SHRM.

The table 3.5 provides details of relationship between a measure of organizational performance i.e. NP and strategic human resource management (SHRM) in terms of HRP, REC, PA, TRA, COM.

**Table 3.5: Relationship between NP and SHRM**

NP & SHRM	HRP	REC	PA	TRA	COM
$\chi^2$	YES	YES	YES	YES	NO
ANOVA	YES	YES	YES	YES	NO
Regression	YES	NO	YES	NO	NO

The summary results highlight a significant relationship between NP and SHRM in terms of HRP, PA, and COM.

## CONCLUSION

The practice of Strategic human resource management from 525 organizations has been compiled under five broad dimensions using a total of 68 variables (set of HR practices). The overall objective of the study was to identify relationship between strategic human resource management and organizational performance. The statistical tests administered for the purpose were  $\chi^2$  test, t-test, ANOVA, Linear and multiple regression analysis. The findings suggest that HR processes, performance appraisals, training and compensation practices influence revenue, return on investment, market cap and net profit. It is pertinent to suggest that there is significant relationship between strategic human resource management and organizational performance. The study also highlighted influence of organizational performance on strategic human resource management.

The findings pertaining to the same manifested that revenue, market cap and net profit influence HR processes, performance appraisals, training and compensation practices. Though the study found a significant relationship between SHRM practices and OP and vice – versa, the direction of the relationship is unknown i.e. whether organizations strategic in human resource management perform better or high performing organizations choose to invest in strategic practices of human resource management. From findings of the study it can be concluded that perhaps the role of human resource management in the Indian context appears to be strategic enough to influence organizational performance. It also throws light on the acceptance of HR as strategic business partner assuming to act as a source for organizations to attain sustainable competitive advantage.



To add to it HR appears to be no more confined to the administrative role. Organizations can capitalize on their human resources by implementing the same with a strategic intent. The presence of certain practices of strategic human resource management can be expected to ensure high organizational performance. The findings of the study indicate that there is significant relationship between SHRM practices and OP which are in line with the previous research evidence (Corbett and Harrison, 1992; MacDuffie, 1995; Huselid et al., 1997; Jayram et. al., 1999; Ichniowski and Shaw, 1999; Ahmad and Schroeder, 2003; Kuo, 2004; Sang, 2005; Katou, 2008; ALDamoe et al., 2011).

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### 3. IMPACT OF LEADERSHIP STYLES ON ORGANIZATION PERFORMANCE

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#### **ABSTRACT**

*The leadership is the only way to lead the organization where the leaders stay basically in the corporate sector. Leading is the only way to get and grow the company to a high stage, and keep in a standard position, while the leadership quality needed for the higher authority where to lead successful team and make the work smooth and successful. Every leader had a unique way of thinking and solving. The leader will have different traits and methods to solve problem and hence the leader will follow a unique strategy, the communication of leader will be always motivational to the followers. Leadership in an organization plays the key role. The different types of styles show the leader ships uniqueness and factors will stay that leadership levels. In this we will know what makes a leader and make a follower and qualities that distinguish leader from followers. Where if we see in politics the leaders will have a different strategies to make and gain followers. The leadership will completely affect the environment makes the employees perfect in work place. It will completely also have an impact on mine set of the employees hence they will learn how to face the sudden threats in work and in life.*

**KEYWORDS:** Leader, Unique, Motivational, Follower, Environment, Threats.

#### **INTRODUCTION:**

This study will focus on review of relevant literature. The main remember of this topic is that to escalation the leadership within the organization over all how to gain and retain the confidence and retain the relationships along the peers. The leadership quality doesn't speak only about the leading quality it also speaks about the handling the situations in a different manner. The leader should also have the quality about how to manage the things and justify a situation. The leadership quality also shows the discipline and motivated the subordinates that will affect complete organization. This research will also discuss leadership style and their main types, relationship between impact of leadership on employee performance and factors affecting the choice of leadership styles.

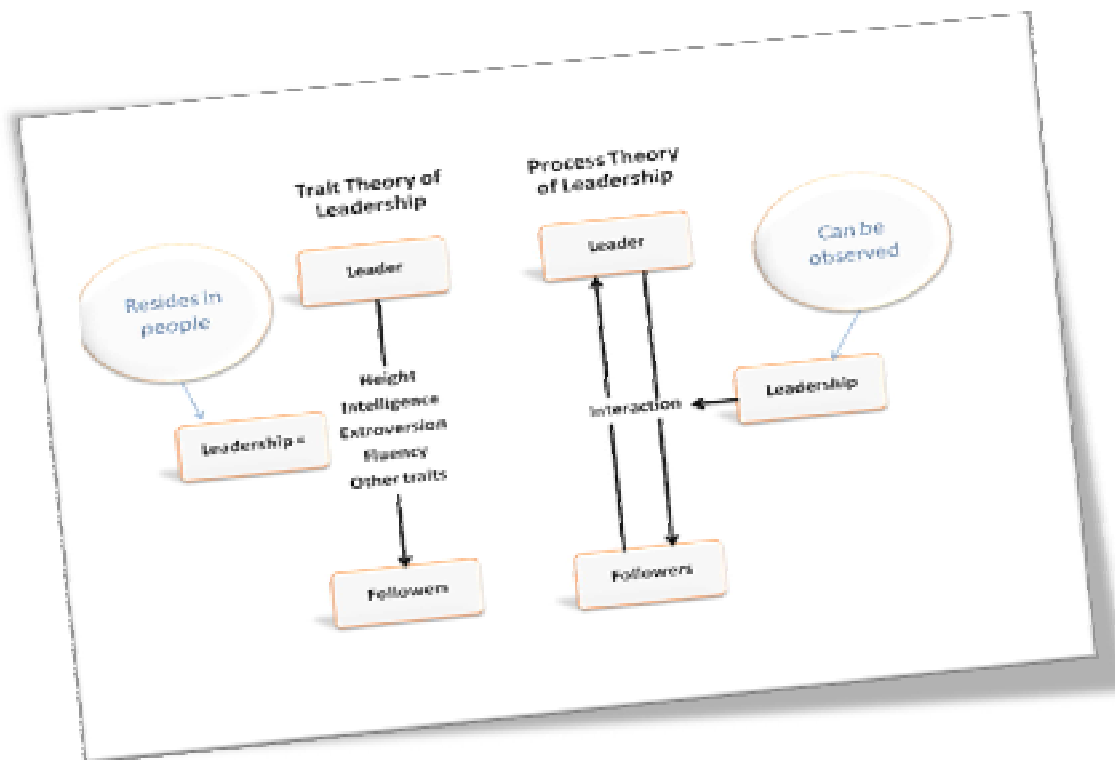
#### **DEFINITION:**

Leadership is an important function in business. Leadership and management represent two completely different business concepts. Leadership is commonly defined as establishing a clear vision, communicating the vision with others and resolving the conflicts between various individuals who are responsible for completing the company's vision. Management is the organization and coordination of various economic resources in a business. Leadership can have a significant impact on an organization's performance.

**OBJECTIVES:** The main objective of the leadership style on organization performance is every leader had their own unique way of thinking and solving and this shows how the impact will be on the every department and employee where lead is not an ordinary thing to do that comes from anywhere.

- \* Organizing employees
- \* Pursuing common goal of an organisation
- \* Organizational cohesiveness
- \* Motivating employees

**METHODOLOGY:** The paper is conceptual in nature. Data collection was achieved by online websites and the data is filtered to improve the quality of paper. The interpretations are made by the authors with the help of guide.



## CONCEPT OF LEADERSHIP

Since a known leader and his skills and knowledge will always be in particle in nature hence it can be influential to the environment, thus among the people or peers or subordinates may change by his traits, beliefs, values, ethics and character. The knowledge and skills gained that will directly proportional to his unique way of being and living.

For example, a leader might have learned the skills in counselling others, but her traits will often play a great role in determining how she counsels. A person who has empathy will make a better counsellor than a person who thinks the employees are simply there does accomplish her biddings.

## FACTORS OF LEADERSHIP

**Leader:** You must have an honest understanding of who you are, what you know, and what you can do. Also, note that it is the followers, not the leader or someone else who determines if the leader is successful. If they do not trust or lack confidence in their leader, then they will be uninspired. To be successful you have to convince your followers, not yourself or your superiors, that you are worthy of being followed.

**Followers:** Different people require different styles of leadership. For example, a new hire requires more supervision than an experienced employee does. A person who lacks motivation requires a different approach than one with a high degree of motivation. You must know your people! The fundamental starting point is having a good understanding of human nature, such as needs, emotions, and motivation. You must come to know your employees' be, know, and do attributes.

**Communication:** You lead through two-way communication. Much of it is nonverbal. For instance, when you "set the example," that communicates to your people that you would not ask them to perform anything that you would not be willing to do. What and how you communicate either builds or harms the relationship between you and your followers.

**Situation:** All situations are different. What you do in one situation will not always work in another. You must use your judgment to decide the best course of action and the leadership style needed for each situation. For example, you may need to confront an employee for inappropriate behavior, but if the confrontation is too late or too early, too harsh or too weak, then the results may prove ineffective.

Also note that the situation normally has a greater effect on a leader's action than his or her traits. This is because while traits may have an impressive stability over a period of time, they have little consistency across situations. This is why a number of leadership scholars think the Process Theory of Leadership is a more accurate than the Trait Theory of Leadership.

## **LEADERSHIP**

### **Leadership Styles:**

Leadership styles are the approaches used to motivate followers. Leadership is not a “one size fits all” phenomenon. The style which is selected that should be fit in organization, situation etc.

**Autocratic Leadership Style:** Autocratic is an outermost form of transactional leadership, there will be complete power on staff. Lesser opportunity for making suggestions from staff, he tea members and the organization is also interested in this style. Quick decisions are made. In terms of disadvantages, most staff resent being dealt with in this way. In crises situation autocratic style can be used, when decisions must be made quickly and without dissent.

**Bureaucratic Leadership Style:** This style follows rules rigidly, and tries to make their staff also follows procedures exactly. This leadership is useful in organizations where employees do routine tasks. The flaw of the leadership is that it is ineffective in teams and organizations that effects on flexibility, creativity, or innovation.

**Charismatic Leadership Style:** Charismatic leadership is a leadership style that is identifiable but may be perceived with less tangibility than other leadership styles. Also called transformational leadership style, this style inspire eagerness in their teams and energetic in motivating employees. The excitement and commitment from teams is an enormous asset to productivity and target achievement process. The negative side of charismatic leadership is the amount of confidence placed in leader rather than in employees.

**Democratic/Participative Leadership Style:** Team will have a high job satisfaction and are productive because they will be completely involved. Employee skills may be developed in

this style. Team members feel a part of something larger and meaningful and so are motivated to by more than just a financial reward. The danger of democratic leadership is that it can falter in situations where speed or efficiency is essential. During a crisis, a team can waste valuable time gathering input. Another potential danger is team members without the knowledge or expertise to provide quality input.

**Laissez-Faire Leadership Style:** This may be the best or the worst of leadership styles. Laissez-faire, this French phrase for “let it be,” when applied to leadership describes leaders who allow people to work on their own. This style will be effective unless if the leader monitors performance and gives feedback to team members regularly. The core advantage of laissez-faire leadership is that allowing team members so much autonomy can lead to great job satisfaction and increased productivity. It can be damaging if team members do not manage their time well or do not have the knowledge, skills, or motivation to do their work effectively. This style can also occur when managers do not have sufficient control over their employees.

**Transactional Leadership Style:** This leadership style starts with the idea, while the team members accept the job and then they obey the leader. The transaction usually involves the organization paying team members in return for their effort and compliance. If the work is not in appropriate standard leader has a right to punish. The minimalistic working relationships that result (between staff and managers or leaders) are based on this transaction.

#### **Impact of leadership**

- \* Trust of the customers will be improved.
- \* With the unique way of the leader there will be a unique perception in customers mind.
- \* Leader may appear from any level of institution and are not exclusively to management.
- \* Leadership has a direct impact on the organizations and success.
- \* Strategies what they gain will aim to the success of organization.
- \* Each style will give its own effect and output.
- \* Leadership will also have a great impact in the minds of the followers.

#### **Organization performance**

- \* Performance of the organization is completely based on the leader.
- \* The output may vary from organization to other because of adapting the style of leader.
- \* The domination will be barred by the organization.
- \* Organization feels the responsibility to listen for the leader.
- \* Organization performance incomers overall output.

#### **CONCLUSION**

To the end of this article we find styles, principles, objectives and factors that every leader has its own unique style and everything thus they deal the problem in their own way hence it shows a clear impact on decision making of every possible decision and on the complete organization. The change is necessary in the organization when the change is there them the enthusiasm will be improved so if there a change in leadership then the work, performance and organization will be effective.

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#### 4. MODERN TRADE AND RETAIL MANAGEMENT

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##### **INTRODUCTION:**

The waves of globalization and liberalization have brought tremendous industrial and technological growth which has resulted in changing the lives of consumers. Retail trade is an important component of internal trade of a country.

Retailing can also be defined as the timely delivery of goods demanded by consumers at an affordable and competitive price points. One such industry which has made a phenomenal impact on our daily lives is retail.

Retailing is useful for the satisfaction of human wants. There is a close relationship between retailer and his consumers. The retailer provides various facilities and services to the customers.

Retailing is a dynamic industry which has undergone significant changes over the last few years. The emergence of cultural changes and technological advancement has far reaching impact behind the changing pattern of retail industry.

##### **Definition of the word "Retail"**

The word retailer is derived from the French word "Retailer", which means "to break bulk". It implies first hand transaction with the customers. A retailer is a chain between wholesaler and final customer. Retailing involves a direct interface with the customers. In India, organized retailing is making rapid progress in the recent years.

##### **STRUCTURE OF THE RETAIL SECTOR:**

In India, the retail sector is categorized into two sectors, organized and unorganized.

##### **Unorganized Retailing:**

The unorganized retailing sector dominates the total retailing activity in India. In the country, it constitutes around 95.4%. It includes thousands of retail shops spread over the entire geographical area of the country. It refers to the traditional format or retail industry. This sector is mainly characterized by small retailers and is subject to tax evasion and lack of labor law system. We can take examples of local grocery shops, petty shops, pan beeda shops, etc.,

##### **Organized Retailing:**

Organized retailing is a recent development in India. Due to changes in the socio-economic factors, there is a growth of organized retailing. The modern retail structure is characterized by Malls, Chain Shops, Departmental stores, Hyper Markets, Super Markets, etc.,

It refers to trading activities undertaken by the licensed retailers, i.e., those who are registered for sales tax and income tax. In India, organized retailing constitutes to 4.6% of the total retail market. We can take examples of Express Avenue, Phoenix Malls, Reliance Super Markets, Nilgiris, Poorvika, Reliance Hyper Markets, More Super Markets, Spencers, etc.,

##### **FACTORS INFLUENCING RETAIL CONSUMER:**

Understanding consumer behavior is critical for a retail business in order to create and develop effective marketing strategies and employ four Ps of marketing mix to generate high revenue in the long run. Here are some factors which directly influence Retail Consumer buying behavior.

**Market Conditions / Recessions:** In a well performing market, customers don't mind spending on comfort and luxuries. In contrast, during an economic crisis they tend to prioritize their requirements from basic needs to luxuries, in that order to focus only on what is absolutely essential to survive.

**Cultural Background:** Every child acquires a personality, thought process and attitude while growing up by learning, observing and forming opinions, likes and dislikes from surrounding.

Buying behavior differs in people depending on the various cultures they are brought up in and different demographics they come from.

**Social Status:** Social status is nothing but a position of the customer in the society. Generally, people form groups while interacting with each other for the satisfaction of their social needs. These groups have prominent effects on the buying behavior. When customers buy with family members and friends, the chances are more that their choice is altered or biased under peer pressure for the purpose of trying something new. Dominating people in the family can alter the choice or decision making of a submissive customer.

**Income Levels:** Consumers with high income have high self-respect and expect everything best when it comes to buying products or availing services. Consumers of this class don't generally think twice on cost if he is buying good quality products. On the other hand, low income group consumers would prefer a low cost substitute of the same product. For example, a professional earning handsome package would not hesitate to buy an iPhone but a normal labor would buy a low cost mobile.

**Personal Elements:** Here is how the personal elements change buying behavior.

Men and women differ in their perspective, objective and habits while deciding what to buy and habits while deciding what to buy and actually buying it. Researchers at Wharton's Jay H. Baker Retail Initiative and the Verde Group, studied men and women on shopping and found that men buy, while women shop.

Women have an emotional attachment to shopping and for men it is a mission. Hence, men shop fast and women stay in the shop for a longer time. Men make faster decisions; women prefer to look for better deals even if they have decided on buying a particular product.

Wise retailer managers set their marketing policies such that the four Ps are appealing to both the genders.

The other elements that change buying behavior are age, occupation, lifestyle, etc.,

### **PSYCHOLOGICAL ELEMENTS:**

Psychological factors are a major influence in customer's buying behavior. Some of them are, **Motivation** – customer often make purchase decisions by particular motives such as natural force of hunger, thirst, need of safety, etc.,

**Perception** – customers form different perceptions about various products or services of the same category after using it. Hence perceptions of the customer lead to biased buying decisions.

**Learning** – customers learn about new products or services in the market from various resources such as peers, advertisements, and internet. Hence, learning largely affects their buying decisions. For example, now-a-days customers find out the difference between two products' specifications, costs, durability, expected life, look, etc., and then decide which one to buy.

**Beliefs and attitudes** of the customers are also important drivers of customers buying decisions.

### **MARKET APPROACH:**

So many factors are analyzed to give products to the customer in Modern Trade and Retailing. Sniper data like market share, market segment, handset type the customer uses in the particularly locality, recharge patterns like denominations, bonus packs, data packs, intervals of recharges, etc., are studied before launching a product to the market.

Telecom industry has to go hand in hand with the Handset industry as the SIMs are to be used in the handsets. To utilize all the benefits that are available in the handsets, network experience and data speed should be the best in class. So the upgrades in the handset industry are closely monitored. Telecom industry itself is a dynamic industry. We can expect changes in product, process and in Government regulations every now and then. The team should be ever prepared to face the challenges.



Cost of operating a Retail Chain or a Modern Trade Channel is also on the higher side. There are so many factors that increase the cost of operations like, cost of the space, interiors, showcasing method, air conditioning, huge capital to keep the stock of all the products under one roof, its interest rates, manpower with proper product knowledge, expertizes presence, remote monitoring to have a tight control, bringing in uniformity, advertisement, customer experience zones, etc.,

So the companies should also spend more to market their products under Retailing or Modern Trade. The bargaining power of the Chains will also increase as it will be bulk purchase. Most of the times, unlike general trade, Modern Trade will be 3 months tie-up or 6 months tie-up. Festive seasons should be planned in advance and products should be made ready before a month at least.

Exclusive products should be designed to cater to the customers as the customers who come to Retail Chains do expect it. It's a pride factor to the customers. We can acquire quality customers thru the retail chains, in the sense; they are brand conscious, brand ambassadors, continuous users and revenue givers. So companies also do not mind to spend few extra penny in attracting the customers coming to the retail chains.

**Foreign Direct Investments:** Looking at the growth of Indian economy and the growing lifestyle of the people, there are so many Retail Giants like Walmar, are starting up business in India. We can get products across the globe in such chains. Customers can have vast buying experience in such retail points. Customers will have better choices between products and brands. They can have deals of best buy in the stores. Indian Government is also encouraging FDIs, as it creates job opportunities in India and at the same time it monitors the operations thru the regulatory.

**Monitoring and Control System:** Chains should have control over their revenues as in the large format stores; credit from the vendors is on the higher side as it is necessary to have sufficient stock in the stores. The presence of the stores is also spread across the geography, can be across the state or across the country. Proper monitoring system and credit control system should be there to succeed in the Retail Business. Else it will lead to trouble. There are Chains which have lost in the race also, like Subiksha and all.

If the Retail Business is managed with proper system and control, it will give huge profit. The Brand of the Chain will gain value in the market if quality product and customer service are given. Building the brand is important in due course of time. Only then one can expand the Chain in all the locations. Without the strong brand image, expansion is not possible.

Stronger Finance, Stronger Management, Better Control System, Better customer experience and customer service will develop Stronger Brand.

### **CONCLUSION:**

Retailing and Modern Trade in any business is looked as an evolved model of sales. Experts and experienced staff should be assigned to handle this wing in the business. It requires passion, maturity, politeness, ability to develop relationship, skill to forecast and plan, and more importantly a quick decision maker or a strategist is required. It should be treated as a separate function to win in the market. As every company is looking at selling their products they this evolved model, slowly the mix of unorganized sector will come down and organized sector will go up in India in the next one decade.

## 5. Are SME Exchange listed companies financially healthy? An Analysis of Medico Remedies Ltd and Gujarat H Y Spin Ltd

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### **ABSTRACT**

*The key to the financing of the business is the strength and reliability of its cash flow. The researcher has taken two companies for the entire study. The research question was Are SMEs Exchange listed in financial market really financially good? In this paper, the authors analysed the financial statement of Select SME Exchange two companies, which is high trade volume in India with the data source given by CMIE (ProwessIQ). This research paper explains the concept of Vertical and Horizontal analysis importance and ways to analyse the Balance Sheet and income & expenditure statement, because many researcher using the tool to analysis financial statement is Ratio analysis. Even though the researcher analysed about Vertical and Horizontal analysis, also Ratio analysis has been used as a tools for determining the Ratio of an important item in the financial statement. So, this paper allows the entrepreneur to establish the standards and goals for entity and for control purposes. The potential for entrepreneurial companies and the uncertainties that they face make traditional structuring techniques inappropriate.*

**KEYWORDS:** financial statement analysis, vertical analysis, horizontal analysis, ratio analysis.

### **INTRODUCTION:**

#### **FINANCIAL STATEMENTS:**

Financial statements provide little knowledge unless you can see the financial statements to determine potential profitability – either own firm or for a potential investment. The sole proprietors' assets are invested in the business. If the proprietor wishes to obtain a loan, when it is imperative that his or her financial statements provide the lender with a picture of profitability, which is at least as good as that of other firms in the same type of industry. Thus, the term financial statement generally refers to the basis statements;

- Income Statement
- Balance Sheet

Financial statement analysis is used by lenders predominately to determine how healthy an existing or potential business is. Financial statement analysis is also used externally by potential investors to determine if they will invest in our firm. Another purpose of financial statement analysis is to generate information that can be used by the business itself. If operating expenses are increasing and revenue is decreasing, for example, monitoring the data allows taking corrective action.

There are essentially three methods of analyzing financial statements: Vertical analysis, Horizontal analysis, and Ratio analysis. All calculations in this paper are rounded to two decimal places because most items are reported as either a fraction. "Analysis and interpretation of financial statements are an attempt to determine the significance and meaning of the financial statement data so that forecast may be made of the prospects for future earnings, ability to pay interest and debt maturities (both current and long term) and probability of a sound dividend policy." - KENNADY & MULLER

## REVIEW OF LITERATURE

**Barthwal (1976)** studied on "The Determinants of Profitability in Indian Textile Industry" and identified the factors which cause variation in profitability. The variables used are past profitability, size of the firm, age of the firm, capital output Ratio and changes in average cost of production. According to the studies past profitability and changes in the average cost of production over the previous years have been found to be significant determinants of profitability for the firms in the industry, in different regions of the country.

**Gupta (1979)**, worked on "Financial Ratios as Forewarning Indicators of Sickness," has made an attempt to study 41 Indian textile companies. He has applied 63 financial Ratios and concluded that 2 Ratios, viz., earning before depreciation, interest and taxes to sales and operating cash flow to sales are significant.

**Porwal, L.S and Vinod Kumar (1980)** in their study on financial statements, Analysis and prediction of future rate of return - A case study of engineering industry concluded that the financial Ratios may not be said to be useful to rank the firms in terms of future rates of return and hence it may be observed that financial Ratios computed do not help in forming an opinion about the capability of the concern whose data are analysed. A basic reason for contributing to this result may be the influence of extraneous factors on the rate of return. Rate of return, encompassing the dividend payments and price appreciation / depreciation in the holding period of the study is susceptible to number of impulses, a great many of which are non-quantifiable.

**Myers (1984)** studied the debt-equity structure and he has called it the pecking order theory of capital structure. The pecking order theory has two important empirical implications: most profitable firms tend to borrow the least and less profitable firms have higher debt-equity Ratio.

**Bansal, L.K and Gupta, R.K. (1985)** in their study entitled financial Ratio analysis and statistics enlightened that the coefficient of variation in the study period had a wide gap varying between 7.1 per cent and 51.3 per cent for current Ratio and Ratio of fixed assets to sales. The correlation of components of short term liquidity Ratio generally possesses low correlation as against long term solvency Ratio components but the components of both Ratios independently possess quite satisfactory correlation in cotton textile industry. The profitability Ratio elements in the industry also have quite high correlation in cotton industry as compared to synthetic industry.

**Singh (1995)** have analyzed the financing pattern of nine developing countries likes India, Korea, Jordan, Pakistan, Thailand, Mexico, Malaysia, Turkey and Zimbabwe and found that in all these developing countries' corporations rely in general, very heavily on external funds and new issues of shares to finance their growth of net assets. They have also concluded that there were important differences between the two groups of corporations. Specifically, they suggested that less developed Corporations used both external finance and particularly equity finance to a much greater extent than their counterparts in advanced economies. Their findings were almost reverse of the Pecking Order pattern of finance observed for advanced country corporations.

**Opler, Saron and Titman (1997)** highlight the importance of corporate liability management for creating value for shareholders. Their study covered analysis of optimal capital structure (debt equity mix) in such a way that the sum of taxes paid by the firm and the costs of financial distress are minimized.

**James Clausen (2009)** stated that the Profitability Ratio Analysis of Income Statement and Balance Sheet Ratio analysis of the Income Statement and Balance Sheet are used to measure company profit performance. He showed the relation between Ratio analyses of the Income Statement and Balance Sheet. The Income Statement and Balance Sheet are

two important reports that show the profit and net worth of the company. He also shows how well the assets are performing in terms of generating revenue.

**Gopinathan Thachappilly (2009)** explained the Profitability Ratios Measure Margins and Returns such as gross, Operating, Pre-tax and Net Profits, ROA Ratio, ROE Ratio, ROCE Ratio. He determines the Gross profit is the surplus Analysis and Interpretations of Financial statements of Pharmaceutical Companies in India. A case study of Glenmark Pharmaceutical Limited 25 generated by sales over cost of goods sold. He explains about the operating profit margin. Operating Profit Margin = Operating Profit/Net Sales or Revenue. - The denominator is the average total assets employed during the year.

**Munya Mtetwa (2010)**, in this article he short propose that about the fixed asset. He define that fixed assets are assets that are used in production or supply of goods or services and they are to be used within the business for more than one financial year. Consequently, fixed assets represent the company's long term income generating assets and they can either be tangible or non tangible. It includes land and buildings, plant and equipment, golf courses, casinos, football players, machinery and hotels depending on the nature of the business under consideration. Fixed asset turnover = Sales / Net fixed asset.

**Research Gap:** The study has focused on several reviews on financial statement analysis. Many researchers have explored various dimensions of financial statement analysis using Ratio analysis but there is a very narrow focus on Vertical and Horizontal analysis. So, the researcher has identified these two types of financial statement analysis as research gap.

### OBJECTIVES OF THE STUDY

- To analyze the profitability of Medico Remedies Ltd and Gujarat H Y Spin Ltd of listed in SME Exchange
- To analyze the financial structure of Medico Remedies Ltd and Gujarat H Y Spin Ltd companies of listed in SME Exchange
- To make suggestion for improvement of financial soundness.

### METHODOLOGY

**Data collection:** The main source of data used for the study was secondary, drawn from the annual profit and loss account and Balance Sheet, compiled in CMIE (Prowess IQ)

Figures found in annual reports of the two companies. The other data sources and opinions expressed in journals, magazines, literature etc., have been also used in this study.

**Period of the Study:** The period 2015-16 and 2016-17 are selected for this study.

**Tools used:** Collected data have been processed and tabulated by using MS-Excel. Ratio analysis like liquidity Ratio, profitability Ratio, and efficiency Ratio, Horizontal analysis and Vertical analysis are used in this study.

**Vertical Analysis:** Vertical analysis is the process of using a single variable on a financial statement as a constant and determining how all other variables relate as a percentage of the single variable. The Vertical analysis of the Income Statement is used to determine, specially, how much company's net sale is being consumed by each individual entry on the Income Statement. On the Income Statement, when conducting a Vertical analysis, we use net sales as 100 percent; therefore, each item on the Income Statement is divided by net sales to determine what percentage of net sales is being consumed by the item. The following formula is used in Vertical analysis of an Income Statement.

$$\text{Percentage of net sales} = \frac{\text{Income Statement Item}}{\text{Net Sales}} \times 100$$

**Horizontal Analysis:** Horizontal Analysis is a determination of the percentage increase or decrease in an account from a base time period to successive time periods. The basic formula for Horizontal analysis of any statement is

$$\text{Percentage of Change} = \frac{\text{New time period amount} - \text{Old time period amount}}{\text{Old time period amount}} \times 100$$

The formula shows us whether the change is positive or negative.

**Ratio Analysis:** Vertical and Horizontal analyses are primarily methods of analyzing a single firm. Although many researchers could use Vertical and Horizontal analyses to compare two firms in the same industry, it is easier to use Ratio analysis for this comparison. A Ratio is a relationship between two variables, expressed as a fraction. Therefore, a single Ratio, by and of itself, is meaningless.

**Liquidity Ratios:** Liquidity Ratios determine how much of a firm's current assets are available to meet short-term creditors' claims and are of primary interest to potential investors and creditors, banks, and other lending institutions. The specific Ratios that fall into this category are the current Ratio and the quick, or acid test Ratio.

**Leverage Ratios:** Leverage (debt) Ratios indicate what percentage of the business's assets is financed with creditors' dollars. In other words, it indicates what percentage of the business's assets actually belongs to the owners and what percentage is subject to creditors' claims. A company's debt is its total liabilities. Current debt is current liabilities, long-term debt is long-term liabilities and total debt is total liabilities. Debt and liabilities are synonymous terms with respect to analyzing financial statements.

**Profitability Ratios:** Profitability Ratios are used by potential investors and creditors to determine how much of an investment is returned from either earnings on revenues or appreciation of assets. They are also used internally by managers to gauge how well their firms are performing in fiscal and calendar years. If a firm experiences sound current asset management as reflected in liquidity Ratios, favourable leverage as determined by leverage Ratios, and a substantial degree of turnover as reflected in activity Ratios, then the profitability Ratios should also be positive and improving. Both internal managers and outside investors compare Ratios of our company with those of our competitors or with industry averages.

#### ANALYSIS AND INTERPRETATION:-

**Table No.1: Ratio Analysis of Medico Remedies Ltd:**

Ratio Analysis	Mar-16	Mar-17	% Change
<b>Profitability Ratios</b>			
Operating margin	5.8	7.6	31.03
Net profit margin	1.6	3	87.50
<b>Liquidity Ratios</b>			
Current Ratio	1.10	1.34	21.82
Debt to equity Ratio	0.95	1.18	24.21
<b>Efficiency Ratios</b>			
Total income / total assets	1.68	1.18	-29.76
Sales / Net fixed assets	9.92	8.34	-15.93

**Source:** CMIE - ProwessIQ

**Interpretation:** From Table1 we find that current Ratio for the year of 2017 were 1.34, this indicates that for every rupees of short-term creditors' claims, the company had 1.34 to pay for these current obligations. If we divide 1 by 1.34, we see that the company would have had to dispose of approximately 74 percent of its current assets to meet its current obligations.

The debt to equity Ratio was 1.18; therefore, debt was slightly more than one times the value of the ownership of the firm. This indicates that the company is highly debt capitalized, which might be a result of the company being new or the company being highly capital intensive. The researcher continues to use table 3. The operating profit margin in 2016 Ratio was 5.8, and in 2017 Ratio were 7.6 the difference was impacted in COGS and some operating expenses. To obtain the figures for fixed asset turnover, we refer to both the Income Statement and Balance Sheet for Medico Remedies Ltd, fixed assets turnover Ratio is 8.34. If the company running our business properly and have not invested in new equipment,

we usually have a goal of improving this Ratio on an annual basis, because the Ratio should increase as a result of the depreciation aspects of fixed assets.

**Table No. 2: Vertical and Horizontal analysis of Medico Remedies Ltd:**

Income & Expenditure	2015-16	2016-17	Vertical Analysis (%)	Horizontal Analysis (%)
	(Rs. Millions)			
Sales	704	571.9	100.00	-18.76
Industrial sales	693.4	549.7	96.12	-20.72
Income from non-financial services	10.6	22.2	3.88	109.43
Income from financial services	1	0.8	0.14	-20.00
Other income	1.4	2.8	0.49	100.00
<b>Total expenses</b>	699.4	556.9	97.38	-20.37
Operating expenses	667.4	524.1	91.64	-21.47
Raw materials, stores & spares	512.7	370.5	64.78	-27.74
Purchase of finished goods	6.2	17.4	3.04	180.65
Power, fuel & water charges	9.1	10.4	1.82	14.29
Compensation to employees	42.5	44.2	7.73	4.00
Indirect taxes	39.8	30.9	5.40	-22.36
Royalties, technical know-how fees, etc	0.5	0.6	0.10	20.00
Rent & lease rent	0.5	0.3	0.05	-40.00
Repairs & maintenance	5.6	4	0.70	-28.57
Insurance premium paid	0.6	0.4	0.07	-33.33
Outsourced manufacturing jobs	1.3	4.8	0.84	269.23
Outsourced professional jobs	6.5	4.7	0.82	-27.69
Selling & distribution expenses	32	26.8	4.69	-16.25
Travel expenses	7.2	6.6	1.15	-8.33
Communications expenses	1.3	1.3	0.23	-
Printing & stationery expenses	0.8	0.4	0.07	-50.00
Miscellaneous expenditure	0.8	0.8	0.14	-
Financial services expenses	8.5	15	2.62	76.47
Non-cash charges	16.1	12.1	2.12	-24.84
Depreciation	11.8	10.5	1.84	-11.02
Write-offs	4.3	1.6	0.28	-62.79
Provision for direct tax	7.4	2.7	0.47	-63.51
<b>Profit after tax</b>	11.3	16.3	2.85	44.25
Cost of Goods sold	567.5	448.8	78.47	-20.91

**Source:** CMIE - ProwessIQ

**Interpretation:** Table 2 contains a Vertical analysis of a Medico Remedies Limited. Note that cost of goods sold for 2016 – 17 were 78.47, percent of net sales. It is also noted that the industry average for this type of firm was 73.00<sup>1</sup> percent, and then we could conclude that costs were excessive and this might be a reason for lower gross profits.

Vertical Analysis also can help in pricing products because a pattern of relationship exists between net sales, percentage of overhead, and profitability. Business generally, by way of Vertical analysis overtime, can determine these relationships. For example, the Medico Remedies Ltd has computed total operating expenses of 91.64 percent of net sales and operating income of 65.18 percent of net sales (Table 2.) Where as Raw material, Stores

<sup>1</sup> <http://www.bizstats.com/reports/cost-of-labor.php>

and spares expenses spent of 64.78 percent of net sales. Therefore, Medico Remedies Ltd having used Vertical analysis can determine its average mark-up requirements as a percentage on sales are higher percent in Raw material and operating expenses.

Horizontal analysis shows us whether the change is positive or negative. If we use the Income Statement data (table 2) and Industrial sales is Rs. 549.7 millions but the percentage change is negative which is -20.72 compared with proceeding year. It is also noted that financial services expenses is Rs. 15 millions, but the percentage change is positive which is 76.47 compared with proceeding year. In this Horizontal analysis the change is negative in income side it is loss to the company. Also when it's calculating for expenses side it should be negative which profit to the company.

**Table No. 3: Vertical and Horizontal analysis of Medico Remedies Ltd:**

Balance Sheet	2015-16	2016-17	Vertical Analysis (%)	Horizontal Analysis (%)
	(Rs. Millions)			
Total liabilities	471.9	505.1	100.00	7.04
Total Capital	16	32	6.34	100.00
Reserves and funds	131.5	131.7	26.07	0.15
Free reserves	38.6	54.9	10.87	42.23
Security premium reserves	92.9	76.8	15.20	-17.33
Long term borrowings	39.5	108.4	21.46	174.43
Deferred tax liability	4.4	0.2	0.04	-95.45
Current liabilities & provisions	280.5	232.1	45.95	-17.25
Short term borrowings	101	79	15.64	-21.78
Short term trade payables and acceptances	153.6	118.7	23.50	-22.72
Total assets	471.9	505.1	100.00	7.04
Net fixed assets	70.9	68.5	13.56	-3.39
Land and buildings	29.4	27.9	5.52	-5.10
Plant, machinery, & electrical assets	38.8	38.6	7.64	-0.52
Long term loans & advances	11.1	3.5	0.69	-68.47
Other long term assets	5.1	0.1	0.02	-98.04
Current assets and loans & advances	384.8	403.9	79.96	4.96
Inventories	91.7	101.5	20.10	10.69
Trade & bills receivables	195.4	179.6	35.56	-8.09
Cash & bank balance	6.6	8.4	1.66	27.27
Short term loans & advances	91.1	113.8	22.53	24.92

Source: - CMIE - ProwessIQ

#### **Interpretation:**

Looking at table 3 we see that Medico Remedies Ltd has current assets of Rs. 403.9 Millions, which is 79.96 percent of total assets. Vertical analysis indicates that the firm may have to take drastic steps to either expedite accounts receivable or decrease inventory (possibly with a sale) in order to meet its obligations. Looking at current liabilities, we note that they are 45.95 percent of total assets, but because of cash & bank balance and trade & bills receivables 37.22 percent of total assets, this firm has a problem in its ability to meet short-term debt. Horizontal analysis shows us whether the change is positive or negative. And the assets side negative changes resulted on net fixed assets, land and buildings, plant, machinery, computers & electrical assets, long term loans & advances and other long term assets.

**Interpretation:** Table 4 we find that current Ratio for the year of 2017 were 2.17, this indicates that for every rupee of short-term creditors' claims, the company had 2.17 to pay for

these current obligations and the percent change is positive 19.43 percent. If we divide 1 by 2.17, we see that the company would have had to dispose of approximately 47 percent of its current assets to meet its current obligations. The operating profit margin in 2016 Ratio was 17.4, and in 2017 Ratio were 16.6 the difference. If the company running our business properly and have not invested in new equipment, we usually have a goal of improving this Ratio on an annual basis, because the Ratio should increase as a result of the depreciation aspects of fixed assets.

**Table No. 4: Ratio Analysis of Gujarat H Y-Spin Ltd**

<b>Ratio Analysis</b>	<b>2015-16</b>	<b>2016-17</b>	<b>% Change</b>
<b>Profitability Ratios</b>			
Operating margin	17.4	16.6	-4.60
Net profit margin	0.1	0.1	0
<b>Liquidity Ratios</b>			
Current Ratio	1.817	2.17	19.43
Debt to equity Ratio	2.302	1.983	-13.86
<b>Efficiency Ratios</b>			
Total income / total assets	0.878	0.878	0
Sales / Net fixed assets	1.56	1.88	20.51

Source: - CMIE - ProwessIQ

**Table No. 5: Vertical and Horizontal analysis of Gujarat H Y – Spin Ltd:**

Income & Expenditure Summary	2015-16	2016-17	Vertical Analysis (%)	Horizontal Analysis (%)
	(Rs. Millions)			
Sales	517.3	518.8	100.00	0.29
Interest income	1.4	1.4	0.27	-
<b>Total expenses</b>	535.6	518.5	99.94	-3.19
Operating expenses	444.2	431.4	83.15	-2.88
Raw materials, stores & spares	359.6	357.8	68.97	-0.50
Power, fuel & water charges	66.2	57.1	11.01	-13.75
Compensation to employees	9.3	9.9	1.91	6.45
Repairs & maintenance	0.3	0.2	0.04	-33.33
Insurance premium paid	0.5	0.6	0.12	20.00
Outsourced professional jobs	1.3	0.9	0.17	-30.77
Travel expenses	0.5	0.3	0.06	-40.00
Communications expenses	0.2	0.1	0.02	-50.00
Miscellaneous expenditure	5.8	4.4	0.85	-24.14
Financial services expenses	26.1	31.5	6.07	20.69
Fund based financial services expenses	26.1	31.5	6.07	20.69
Non-cash charges	65.7	55.6	10.72	-15.37
<b>Profit after tax</b>	0.3	0.5	0.10	66.67
Cost of Goods sold	454.9	456.3	87.95	0.30

Source: - CMIE - ProwessIQ

**Interpretation:** Table 5 contains a Vertical analysis of a Gujarat H Y Spin Ltd. Note that cost of goods sold for 2016 – 17 were 87.95, percent of net sales. It is also noted that the



industry average for this type of firm was 60.00<sup>2</sup> percent, and then we could conclude that costs were excessive and this might be a reason for lower gross profits.

Vertical Analysis also can help in pricing products because a pattern of relationship exists between net sales, percentage of overhead, and profitability. Business generally, by way of Vertical analysis overtime, can determine these relationships. Therefore, Gujarat H Y-Spin Ltd having used Vertical analysis can determine its average mark-up requirements as a percentage of sales.

Horizontal analysis shows us whether the change is positive or negative. If we use the Income Statement data (table 5.) and an Industrial sale is Rs. 518.8 millions but the percentage change is positive even though compared with proceeding year is 0.29 percent. It is also noted that in this Horizontal analysis the change in Raw materials, stores & spares expenses spent of Rs. 357.8 millions, but the percent change is -0.50 which is less than 1 percent.

**Table No. 6:**

**Vertical and Horizontal analysis of Balance Sheet of Gujarat H Y-Spin Ltd:**

Balance Sheet	2015-16	2016-17	Vertical Analysis (%)	Horizontal Analysis (%)
	(Rs. Millions)			
Total liabilities	617.10	568.20	100.00	-7.92
Total Capital	167.50	167.50	29.48	-
Reserves and funds	10.20	18.40	3.24	80.39
Long term borrowings excl current portion	309.00	262.90	46.27	-14.92
From banks	279.90	233.80	41.15	-16.47
Current liabilities & provisions	130.40	119.40	21.01	-8.44
Short term borrowings	100.00	105.80	18.62	5.80
Short term trade payables and acceptances	17.10	12.80	2.25	-25.15
Total assets	617.10	568.20	100.00	-7.92
Net fixed assets	330.90	276.00	48.57	-16.59
Land and buildings	70.10	63.40	11.16	-9.56
Plant, machinery, computers & electrical assets	257.90	210.50	37.05	-18.38
Other long term assets	19.90	20.70	3.64	4.02
Current assets and loans & advances	266.30	271.50	47.78	1.95
Inventories	100.60	142.20	25.03	41.35
Trade & bills receivables	133.90	115.50	20.33	-13.74
Cash & bank balance	2.10	1.10	0.19	-47.62
Short term loans & advances	29.70	12.70	2.24	-57.24

**Source: - CMIE - ProwessIQ**

**Interpretation:** Looking at table 6 we see that Gujarat H Y Spin Ltd has current assets of Rs. 271.50 Millions, which is 47.78 percent of total assets. Vertical analysis indicates that the firm may have to take drastic steps to either expedite accounts receivable or decrease inventory (possibly with a sale) in order to meets its obligations . Looking at current liabilities, we note that they are 21.01 percent of total assets, but because of cash & bank balance and trade & bills receivables 47.78 percent of total assets, this firm has a problem in

<sup>2</sup> <http://www.bizstats.com/reports/cost-of-labor.php>

its ability to meet short-term debt. Horizontal analysis shows us whether the change is positive or negative. And the assets side negative changes resulted on land and buildings, plant, machinery, computers & electrical assets, trade & bills receivables, cash & bank balance and short term loans & advances. It is to be highlighted that a Small Scale Industries liabilities side are expecting negative changes also assets side are expecting positive changes are expected.

#### **Suggestion: -**

Ratio Analysis is an owner or manager, more aware of the sore spots in your firm that may be in need of repair, both the companies have had to dispose of its current assets to meet its current obligations. The Gujarat HY Spins Ltd, Operating profit margin percentage has to positive side of financial statement. Vertical Analysis uses pivotal accounts as a measure of how good the financial health of the company is with regard to these accounts, both the companies are facing the problem contribution of net sales with COGS with industry standard is not in positive side which is individually it may positive trend but when we compare with industry its level of spending expenses is too high. So these two companies can reduce the operating expenses of last year. Horizontal Analysis used to determine if short-term objectives are being accomplished from period to period, market value of company is getting low due to negative changes results shown that in the assets side. Also the positive changes happened liabilities of long term borrowings excl current position, banks, current liabilities & provisions, and short term trade payables and acceptances. Both the companies have to take corrective action against the increases in the liabilities and decreasing value of assets.

#### **Conclusion:-**

On analysing the financial performance of Medico Remedies Ltd and Gujarat H Y Spin Ltd, for the past two years, the study reveals that financial performance is better. Medico Remedies Ltd has been maintaining good financial position and further it can reduce operating expenses and raw material stores, spares. Vertical analysis gave clear picture about the every individual income and expenditure contribution to Net sales. Also the Horizontal analysis calculated the difference of changes and percentage of contribution given in Net assets in the Balance Sheet.

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## 6. PROS AND CONS OF SOCIAL MEDIA AMONG YOUNGSTERS

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### **Abstract**

*As the present generation lives in a networking era, the tremendous growth of the internet has a high impact on the development of the students in which they interact and socialize. During this era, communication is the most popular term. Today, communication revolution brought us together regardless of geographical boundaries. The internet offers a wide variety of communication tools. Billions of people use facilities like search engines, web pages, e-mails, Really Simple syndication (RSS), e-journals, e- newspapers, internet banking, internet telephony, conferencing, multi-media sharing, online news rooms and social networking. This research will detail the impact of using social networking sites on student's academic performance.*

**Key Words:** Cons, Impact, Internet, Pros, Social Media, Teenagers

### **Introduction**

The influence of social media on adolescents and teenagers is of particular importance, not only because this particular group of children is developmentally vulnerable but also because they are among the heaviest users of social networking. While social networking undoubtedly plays a vital role in broadening social connections and learning technical skills, its risks cannot be overlooked. The lack or difficulty in self-regulation and susceptibility to peer pressure makes adolescents vulnerable to such evils as Facebook depression and cyber bullying, which are realistic threats. Other problems such as social network-induced obesity, Internet addiction and sleep deprivation are issues that continue to be under intense scrutiny for the contradictory results that have been obtained in various studies. Other risks of extensive social networking among youth are loss of privacy, sharing too much information, and disconnect from reality. The present study has been conducted among fifty students of Karaikudi, Sivaganga district.

### **Types of Social Media**

- 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 and colleagues.
- Twitter is a free micro-blogging 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.
- Wikipedia is a free, open content online encyclopaedia 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.
- 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.

### **Analysis**

Sample group consists of 69 percent female and 31 percent male, majority of the students falls under the age group between 20 and 23 and with the maximum family income level of Rs. 25000. Regarding the gadget used, 92 percent use smart phones, 12 percent use

laptops and 2 percent use desktop, 98 percent have internet connection, 98 percent prefers the net connection through smart phone. A total of 91.5% students are using social media for learning purpose, maximum level of the students (36.2%) have interest to know the subject matters followed by 34% students focus to see news from the social media, 31.9% students focus the entertainment. Rest 29.8% and 2.1% comes under the current affairs and politics. 95.7% students has sharing habits of study material. Rest 4.3% of the students doesn't have sharing habits of study material. a maximum level of the students (48.9%) have preferred pdf and picture and video file for learning followed by 29.8% students focus to preferred ppt file. Rest (8.5%) the students preferred word files. With the help of the continuous effort of the sample group, 97.9% students have developing communication skills and vocabulary in English with the help of social media. Majority of the students (37.5%) spend time range between 1 to 2 hour in social media followed by 33.3% of the students spend time more than 2 hour in social media and are spending Rs. 300 on an average for internet.

### **Behavioral Effects:**

- Lose interest in meeting friends and spending time with them.
- May want to be on their own most of the time, even when his friends are around.
- Getting cranky, irritable or even angry when one is not able to get back to the computer in order to check social media.
- Any new update on the social media can make one react in a very forceful way.
- Teen may be in their room more and more and refuse to come out.
- One may suddenly shut down his computer or close the lid of his laptop if you or someone else comes near.
- The teen will turn defensive at the slightest provocation and get upset if someone else uses the computer.
- If one make fun of the online habits and the online friends or show them down, the one will react quite aggressively.
- The teen may finish another activity fast in order to get back to the social media contacts.
- One will lie about what he or she is doing to spend more time on social media.
- The teen could avoid social gatherings and may fall short on the commitments and schedules.

### **Physical Effects:**

- The teen may complain of frequent headaches and even discomfort in the eyes. They may not be able to see properly and may have blurry or strained vision problems.
- One may not be able to sleep properly and may have problems with falling asleep or staying asleep and may toss and turn in the sleep or start speaking in the sleep.
- The teen may experience fluctuating weight and either gain or lose weight without any obvious reasons.

### **Pros**

- **It educates.** There are answers to any question at the fingertips and one can connect with teachers, coaches, experts, and collaborate with peers.
- **It facilitates communication** and gives access to real time understanding. This can help teens who are battling depression or feel marginalized in their community.
- **It breaks down physical, geographical, and cultural barriers.** Even by being in a wheelchair, one can make friends with Minnesotans, Nigerians, and even your favorite authors.
- **It strengthens relationships.** One can never have to lose touch with old friends. Who has time to write or wait for letters, anyway?

- It helps people **find and connect with their community**. One can easily discover when, where, and what is happening and how they can participate.
- **It boosts confidence**. Likes and nice comments are positive feedback. The impact of social media on self-confidence can be huge and this is a very positive one.
- **It can help fight depression**. According to Page, "Recent studies show that many teenagers have not chosen the path of suicide, thanks to these tools. Blogging can be therapeutic for teens who are confused, down, or need to vent frustrations."

### Cons

- One look at a teenager's texts is enough to give any parent hard evidence that this online language they use could destroy everything they've learned in school as proper spelling, syntax, and grammar structures.
- Many people, teenagers and adults alike, do not know that the Internet is not always a reliable source for information.
- Many teens usually spend sleepless nights on social media without the knowledge of their parents. This can lead to lower academic performance.
- In order to get online, teens must make a relatively large investment in gadgetry. After you add up the costs of a cellphone, a personal computer, apps, data plans, and wifi hookups, you've run up a hefty bill.
- The influential nature of the Internet can possibly make teens more likely to spend by seeing ads or their friends posting what they buy.
- A bad social media reputation can hurt job opportunities. Teens are known for lacking strong judgment or self-control as the part of the brain that controls impulse is still developing at that age. It is likely that their online presence may hurt them in their job search.

### Conclusion

No matter what one decide whether the computer is a heavenly tool or the gateway to hell, the teens will probably be engaging online at some point and may be using it more than you know right now, even if you have told them not to. Even if the teenager doesn't have a cell phone, the teenager sitting next to them does. The study revealed that majority of the respondents had mobile phones with internet facility and had knowledge of the existence of social media sites. As a result they visit their social media sites and spend more than two hours every day. In addition, the study revealed that the use of social media had affected academic performance of the respondents negatively and further confirmed that there was a strong positive relationship between the use of social media and academic performance. Hence it is concluded that the usage of internet and the social media have taken a control over human beings in general and among teenagers in particular and so it is high time to decide on the usage of social media positively for the betterment of the teenagers.

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## 7. A PROFILE OF ANTECEDENTS IN SELECTION OF HIGHER EDUCATION INSTITUTION

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### **ABSTRACT**

*Indian higher education system is one of the largest in terms of enrolments; more than 800 universities and 25000 plus higher education institutions make the education industry competitive and vibrant one. Engineering education, in particular, is recognized as a niche section with more than 1.5 million students and in Tamil Nadu, more than 580 colleges are engaging in the engineering education. However, in the recent times, the enrolment numbers are staggering and every year more number of seats left unfilled. One of the reasons often quoted for the shutting down is the quality of faculty and delivery of required inputs. In this background, the current research work aims to address the differences in factors considered for choosing an education institution and gender differences in evaluating the importance attached to the select list of antecedents. The results confirmed that there is a gender difference and male respondents have given significantly lower importance for all the attributes. Safe and Friendly Environment, Learning Environment and Job Prospects, Reputation, Placement and Soft & Hard Infrastructure received highest importance while selecting a higher education institution.*

**KEYWORDS:** *Pre-selection, Reputation, Safe & Friendly Environment, Placement*

### **1. INTRODUCTION**

In India, the higher education is provided under three categories of institutions; (i) Universities and University level institutions [*where they empower to award degree under an act of Parliament or State legislature*], (ii) Colleges / Institutions [*Not authorized to award degree, but affiliate with universities*] and (iii) Stand-alone Institutions [*not affiliated with any universities, however, empower to award of Diploma Programmes*]. In the post-independent era, there is a steady growth in the higher education enrolments, new institutions, and new branches of education; today there are millions of stakeholders, 1000s of colleges, 800 + universities. However, these institutions failed to secure niche position in the global market place. Many institutions have sub-standard infrastructure, poor quality of teachers and with little degree of standardization. In particular, engineering education institutions suffer a lot in the recent years, where many institutions are on the verge of closing their operations. In Tamil Nadu, there were too many seats vacant in the engineering colleges for the last several years. Thus, a research which can provide insights on student's selection process and importance attached to various attributes, will be immense helpful to understand the present day situation. This research work aims in creating a profile of the student's evaluation of various factors while choosing an engineering college will render more insights and information for the administrators to manage them properly. These insights will help them to closely monitor, as well as, use the attributes in the admission process to highlight the salient features of the institution.

### **2. REVIEW OF EARLIER STUDIES AND HYPOTHESIS**

Decades ago, many research studies conducted to bring out the role of Word-of-Mouth Communication [WOM] in higher education contexts; a study by Herr et al proved

that WOM has significant role to develop favorable as well as stronger brand attitude, even though the decision maker is left with huge amount of diagnostic information. Ennew et al (2000) study conducted in Northern India inferred that active management of WOM communication through customer referral campaigns helps increase the spread of WOM.

A research on higher education institution brand equity suggests that brand image, brand identity and brand soul to be integrated together and work in the same direction to create better brand equity (Robert and Maktoba, 2014). Another study findings from Malaysian context reported that people with strong attachment with their higher education institution willing to spend more resources and money to maintain their status quo with the institution (Ramli et al 2015).

Rojas-Mendez et al (2009) work on determinants student loyalty in higher education perceived service quality and satisfaction are having significant predicting power of loyalty. Bergamo et al (2012) also confirmed that perceived service quality and students satisfaction are the two most important predictors of loyalty.

### ***Pre-selection factors of a higher education institution***

Students' selection of an institution is not a just overnight decision; it is a careful analysis of information and a crafted decision based on many parameters. In addition, very rarely, admissions are taking place based on single dimensional considerations. Monica et al (2014) study has identified soft and hard infrastructure, Alumni and student recommendations; media influence; placement opportunities and fees; and location as important pre-selection variables by the students. Asif (2014) study on performance measure of higher education institution pointed out that research performance is also a significant factor and used to evaluate the institution while choosing. Agrey and Lampadan (2014) study further identified Friendly environment; sporting facilities; support system and learning environment; and job prospects too influence the choice of an institution.

Thus, many researchers continuously try to identify various emerging considerations of the students while choosing a destination for higher education. Very recently, many higher education institutions make efforts to get international accreditations and placing students on 'Day-1'; Number of Placements on Day-1 and salaries offered in foreign currencies; and placements in abroad. These efforts tend to create an image and reputation, and this reputation identified as a pre selection variable by Tasirin et al (2015).

In addition, the researchers also integrated various marketing and other management concepts to explain student behaviors in the higher education context. This study aims to develop a profile of importance attached to various factors at the time of choosing a higher education destination and an investigation of gender differences in evaluation of these attributes.

It is observed that, in many different decision situations, male respondents and female respondents' behavior significantly differ from each other. To check, whether the parameters considered while choosing a higher education differs significantly across gender, the following hypothesis is framed and tested.

*H<sub>1</sub>: There is a significant difference between male and female respondents on the importance level of factors considered for choosing a higher education.*

### **3. RESEARCH METHODOLOGY**

**Measures:** A list of 13 attributes from the various literatures is presented to the students to record their importance while choosing the current higher education institution. The following table summarizes various constructs, source of the scale publication.

**Table-1 List for factors considered while selecting an institution**

S.No	Construct Name	Number of items	Cronbach's Alpha	Source
1	Soft and hard infrastructure	8	NA	Khanna et al (2014)
2	Alumni and student recommendation	5	NA	
3	Media influence	4	NA	
4	Placement opportunities	2	NA	
5	Fees and location of the higher education institute	2	NA	
6	Research performance	7	NA	Muhammad Asif Cory Searcy, (2014).
7	Corporate Collaboration	4	NA	Lagrosen, et al (2004).
8	Innovativeness and resonance of the higher education institute	7	NA	Khanna et al (2014)
9	Safe and Friendly Environment	2	0.64	Agrey, and Lampadan (2014).
10	Sporting Facilities	2	0.6	
11	Support System	6	0.8	
12	Learning Environment and Job Prospects	9	0.8	
13	Reputation	3	NA	Tasirin et al. (2015)

**Sample and Profile:** To test the proposed hypothesis and the model, a sample size of 674 students were selected from engineering colleges in the Tamil Nadu & Pondicherry Union Territory. Fifty one per cent of the samples were male students; 41 percent of the students were from rural places. Seventy eighty per cent of them belong to economically weaker section and studied their higher secondary Course (HSC) in state board and 60 percent of them scored less than 75 percent in their HSC.

#### 4. RESULTS & DISCUSSION

All the items are measured on a 7-point scale and an average score for each respondent is calculated.

**Table-2 Importance attached while selecting an institution**

Factors	Mean	Std. Deviation	Importance
Safe and Friendly Environment	5.2841	1.59487	<i>Very High</i>
Learning Environment and Job Prospects	5.1344	1.33012	
Reputation	5.0658	1.57906	
Placement	4.9514	1.48267	
Soft & Hard Infrastructure	4.9282	1.07132	<i>Moderate</i>
Support System	4.8595	1.34221	
Fees & Location	4.8232	1.37992	
Research Factor	4.7893	1.38945	
Sporting Facilities	4.7396	1.79215	<i>Low Importance</i>
Innovativeness and resonance	4.6467	1.28865	
Corporate Collaboration	4.6417	1.41124	
Media Sources	4.6243	1.33345	
Recommendation from others	4.5593	1.21171	



The average score corresponding to each factor is used in the analysis. *Safe & friendly atmosphere, Learning Environment and Job Prospects, Reputation, Placement and Soft & Hard Infrastructure* are given very high importance by the students while choosing a particular institution.

Attributes such as *Support system, Fees & Location, Research Factor in the Institution and Sporting facilities* received next level of importance when the students make their choice. Contrary to the general expectations, Innovativeness, Corporate Collaboration, Media presence and Recommendation received very low importance in selecting the institution. Thus, this simple mean calculation provides a base for further analysis of profiling the students based on the factors evaluated while choosing a higher education destination.

Further, to know whether the set of parameters perceived and evaluated differently by the two gender of the respondents [*Hypothesis-H<sub>1</sub>*], One-way ANOVA is performed and the results are summarized in the following table.

**Table -3 Gender differences on pre-admission factors**

Parameters	Category	Number	Mean	Std. Deviation	F-Ratio (Sig.)
Soft & Hard Infrastructure	Male	343	4.7504	1.06442	19.789 (0.000)
	Female	331	5.1125	1.04858	
	Total	674	4.9282	1.07132	
Recommendation from others	Male	343	4.3860	1.15937	14.582 (0.000)
	Female	331	4.7390	1.24005	
	Total	674	4.5593	1.21171	
Media Sources	Male	343	4.4621	1.25831	10.474 (0.001)
	Female	331	4.7923	1.38912	
	Total	674	4.6243	1.33345	
Placement	Male	343	4.7208	1.49410	17.299 (0.000)
	Female	331	5.1903	1.43430	
	Total	674	4.9514	1.48267	
Fees & Location	Male	343	4.6693	1.39988	8.791 (0.003)
	Female	331	4.9827	1.34250	
	Total	674	4.8232	1.37992	
Research Factor	Male	343	4.5727	1.36860	17.393 (0.000)
	Female	331	5.0138	1.37719	
	Total	674	4.7893	1.38945	
Corporate Collaboration	Male	343	4.5926	1.42182	<b>0.846 (0.358)</b>
	Female	331	4.6926	1.40052	
	Total	674	4.6417	1.41124	
Innovativeness and resonance	Male	343	4.4860	1.24373	11.013 (0.001)
	Female	331	4.8131	1.31488	
	Total	674	4.6467	1.28865	
Safe and Friendly Environment	Male	343	5.0292	1.61789	18.310 (0.000)
	Female	331	5.5483	1.52874	
	Total	674	5.2841	1.59487	

Parameters	Category	Number	Mean	Std. Deviation	F-Ratio (Sig.)
Sporting Facilities	Male	343	4.5889	1.83894	4.967 (0.026)
	Female	331	4.8958	1.73131	
	Total	674	4.7396	1.79215	
Support System	Male	343	4.7031	1.27716	9.609 (0.002)
	Female	331	5.0217	1.38988	
	Total	674	4.8595	1.34221	
Learning Environment and Prospects	Male	343	4.9602	1.28563	12.179 (0.001)
	Female	331	5.3149	1.35313	
	Total	674	5.1344	1.33012	
Reputation	Male	343	4.9106	1.55986	6.804 (0.009)
	Female	331	5.2266	1.58508	
	Total	674	5.0658	1.57906	

Except the corporate collaboration factor, the male and female respondents evaluate all the other factors differently. Male respondents attached significantly lower importance for all the attributes than the female respondents did. The analysis has brought out one important insight for the administrators in terms of the gender differences and the hypothesis  $H_1$  is accepted for 12 out of 13 factors and except for the corporate collaboration factor.

Gender enrolments in higher education is not so obvious factor; it showed fluctuation in developed country like US, where, 37.1 to 47.4 percent between 1960 and 1976; and growth rates too differed (Karen, 1991). Whereas, country like India, gender equality is not maintained in the higher education system. Thus, the female members, exposure to higher education system is relatively newer factor and the higher evaluations could be the socialization issue of female members in the society.

## 5. CONCLUSION

These results strongly suggest that the higher education institution cannot afford to ignore the student's characteristics, particularly, those considerations made at the selection stage. These attributes tend to bias all the offerings made by the institutions. Processes such as orientation programmes are handy tool to bridge the gap on evaluations. As in the consumer and marketing literatures, behavior of high involvement segment is different from low involvement segment, by recognizing this insight in the higher education institution context; the higher education institutions can be benefited. Understanding this group differences, the administrators may plan to fine-tune the academic related measures better. For instance, more assignments, tutorial sessions may be planned for the group in a disguised manner to create better understanding of higher education system. This will create a better student community in the campus.

From the analyses carried out, it is clear that there are serious challenges for the administrator of an engineering college to create a promotion programme and highlight the salient features of the institutions.

## 6. LIMITATION AND FUTURE RESEARCH DIRECTIONS

This study has limitations of not considering the factors, such as his CGPA or his Higher Secondary Marks, which may have significant influence while he/she pursuing higher education. By integrating these factors as moderator, further insights may be drawn.

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## 8. BRIDGING THE GAPS: EFFECTIVELY MANAGING A MULTI-GENERATIONAL WORKFORCE

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### ABSTRACT

*Today's workforce is unique and singular. Never before has there been a workforce and workplace- so diverse in so many ways. The mix of race, gender, ethnicity, and generation in today's workplace is stunning. The latter, generational diversity, and the tension and challenge, opportunity it presents and the strategies to manage the generations are the focus in this paper. There is a growing realization that the gulf of misunderstanding and resentment between older, not so old, and younger employees in the workplace is growing and problematic. It is a rift that will not heal itself or just go away, as so many organizations hope even aware of it. It is a problem based in economics, demographics, and world views that must be confronted to be solved.*

**KEYWORDS:** *Generational Snapshots, Diversity, Baby Boomers, Generation X, Millennium, strategies*

### INTRODUCTION

There is a new phenomenon occurring in workplaces today. A problem in the workplace derived not from downsizing, rightsizing, change, technology, foreign competition, pointy-haired bosses, bad breathe, cubicle envy, or greed. It is a problem of values, ambitions, views, mind-sets, demographics, and generations in conflict. For the first time, there are five different generations working side by side. Why should employers and managers care about generation gaps in their workforce? Research has shown that bridging significant differences between the generations with effective workplace strategies creates more successful organizations; employees are happier, healthier and more productive, and organizations are more competitive and improve their bottom lines.

#### Generational Snapshots:

A "generation" is defined by significant shared events and conditions to which people were exposed as they grew up. These common experiences shape the attitudes and motivations of a generation's members. On this basis, there are three generations in the workforce today which have been identified by a variety of experts; they are the *Baby Boomers, Generation X, and Generation Y.*

### LITERATURE REVIEW

**Baby Boomers** who were born between 1943 and 1960 are the postwar babies (Zemke, Raines, and Filipczak, 1999). Technically, physically, and temporally, the Boom Birth period began in 1946 and ended in 1964; but a generational cohort is defined as much by shared values, experiences, and worldviews as it is by zodiacal accident. A generation is defined by what it thinks, feels, and experiences together and not just by dates of birth. So it is as, or more, accurate to define Baby Boomers as those born between 1943 and 1960 (Zemke, et al., 2000). Baby Boomers were born in an era of optimism, the period spanning the end of the war and 1960. They are the nation's largest demographic group (Corbo, 1997).

They were the first generation to be graded on their report cards for "shares materials with classmates" and "works with others." And everything they did was in the spotlight, understanding tacitly, perhaps simply assuming, that the purpose of the world they lived in was to actively serve their needs, wants, and whims, a feeling they carried into adolescence

and adulthood. They have pursued their own personal gratification, uncompromisingly, and often at a high price to themselves and others. If the marriage was not working out, they dumped it and looked for another. If they did not like the job, they moved on. They have searched their souls – repeatedly, obsessively, and recreationally (Zemke, et al., 2000).

Alverson (1999) mentioned that more Boomers than ever before are working today. In the workplace as in other areas of life, they still feel they have the right to be on top and in charge. Boomers have always looked toward work to accomplish their personal needs. Because of this and financial reasons, they will stay in the workforce for a long time. Many Boomers will start second careers if they do retire. Baby Boomers are going to work long into their 60s and 70s. They will probably change their work styles, but they will stay involved in the workplace (Stoneman, 1998).

Filipczak (1994) noted that members of **Generation X** grew up in the 70s and 80s, in the shade of the Boomers. They are sometimes called Baby Busters, since they are doubtfully one of the smallest demographic generations. Filipczak also stated that the “X” in Generation X is the name of a group that feels it has no identity, or at least no identity that anyone else cares about. According to Cox (2000), Xers have seen major institutions in society (schools, government, churches, big business) falter and be discredited. When they were growing up, Xers spent a lot of time on their own because either either parents or a single parent worked outside the home. They grew up with the information/computer revolution. They saw downsizing and other unforeseen events radically change the careers of hard-working parents and older siblings.

Adams III (1999) stated that Generation X see work more as a lifestyle decision than a means to support themselves. After watching their workaholic parents get laid off in corporate mergers and downsizing, many of them do not trust employers. After being raised as latchkey children in families with no stay-at-home parent, they have learned early to rely on themselves. Since very large numbers of the Generation X group grew up as latchkey kids at the same time that communities became less cohesive, they have been forced to be independent and creative in solving their problems. This independence carries over into their adult approach to work, where they value being independent, having clear goals and managing their own time and problems, rather than having them managed by a supervisor. Therefore Generation X is very flexible and adaptable workers, who can adapt themselves to new people and situations with ease. It also makes them frequently eager to see results (Cox, 2000).

The generally accepted definition of **“Millennials”** is children and teenagers who came of age at the dawn of the millennium (the year of 2000), or the teens and twenty-something born after 1982. The people born after 1982 were often defined as Millennials, which was sometimes called Generation Y. The statistics showed that the rates of teen homicide, violent crime, abortion, and pregnancy were higher than any other generations (Ministry of Interior, 2000). They lived closely with new technology. They were much more individualistic and innovative. Money was increasingly more important as a measure of meaningful work. The stereotypes of Generation Y were future oriented, disrespectful for authority, less trustworthy, and lack of job loyalty. They were considered to be the lost generation because they no longer followed the Indian traditions and enjoy foreign cultures.

### **CASE STUDY**

Marvin, a “Veteran”, recently returned to work. With the recent economic downturn, retirement didn’t quite work out as planned, but he was able to get a job working for his previous employer. Senior management valued Marvin’s knowledge and work experience, but this time, he was reporting to Sophie – a “Gen Yer”. Because Sophie was new to management, she wasn’t used to providing instruction to employees. She also spent two days per week working “virtually” outside the office. Marvin knew there were many different

ways to get a job done, but he expected his manager to give him direction to avoid any repercussions if things went wrong. The relationship between Sophie and Marvin became strained, leading to productivity problems. Senior management called in a human resources specialist who focused on teaching Sophie how to be more specific with Marvin in outlining project outcomes and expectations. Because Sophie worked out of the office frequently, regular face-to-face meetings were also scheduled with Marvin. Saving the relationship ended up in some big wins for the company—not to mention a big improvement in staff morale.

You are a “Veteran”, and your “Gen Xer” employee hardly sets foot in your office for a face-to-face conversation—something you are used to doing frequently. He seems to prefer connecting via email, but he sure does deliver, and then some! Of course, you do schedule face-to-face meetings when necessary, but have also learned that this employee works well independently and that he will come to you when he needs to ask questions. You’re even considering his request to work one day a week from home, which would also free up some office space for use by a summer intern. In your many years of work experience, you’ve learned that work-life balance is important to all employees, but that the definition of this term can vary from one employee to the next. By focusing less on where and how work is performed, and more on work objectives being met successfully, you feel you’ve created a more flexible, happier work environment—a workplace where employees really want to work.

Mary noticed tension between Dan (a “Baby Boomer” manager) and Raul (a “Gen Zer” employee) and had heard them arguing in the office next door. As Supervisor, she knew she needed to intervene.

*Dan:* Mary, the minute Raul walked in the door he wanted to take responsibility for projects that others have taken years to really understand. I have socks older than this guy and he thinks he can just take over. He has no respect for authority or others’ experiences.

*Raul:* I’ve worked and studied hard to get to this point and I didn’t spend thousands of dollars on my education to photocopy Dan’s notes. I need more of a challenge, or I will go somewhere else. I have a lot to offer if someone will just give me a chance!

Mary encouraged Dan to talk with Raul about Raul’s strengths and interests and to assign Raul smaller projects that he could take ownership of. She also encouraged Dan to explain *why* he asks Raul to perform certain tasks and *how* it relates to organizational objectives. With Mary’s help, Dan also set up a mentorship program for Raul that involved him “shadowing” another employee one day per week to learn more about the projects he was especially interested in. Mary then encouraged Dan and Raul to focus more on what they could each learn from each other, since everyone brings something different and valuable to the table. Within a month of implementing these strategies, Mary noticed Dan and Raul working better together and an increase in the level of respect for each other. Also, as a result, staff harmony and creativity within the entire team improved.

### **TEN UNIVERSAL STRATEGIES FOR THE WORKPLACE:**

Now, more than ever, the key to a competitive and successful organization is properly understanding and managing diversity in the workforce. Every generation wants work-life balance, interesting work, a good salary with benefits and flexible hours of work. However, research shows that these aspects of work need to be designed *differently* for each generation in order to be effective.

1. Before implementing any new workplace strategies, evaluate where you are, and plan where you want to go.
2. Obtain *regular* employee feedback and demonstrate your ability to act on their suggestions.
3. Encourage communication, understanding and respect for differences.
4. Tailor your workplace strategies because one size does *not* fit all.

5. Focus on *results*, rather than *process*.
6. Understand what it means to have “engaged” employees, and strive for this goal, since high employee engagement is tied directly to high organizational performance, profitability and employee retention.
7. Make it easier for all employees to leave the organization (to take a leave of absence or go on sabbatical, for example) and make it easier for them to come back.
8. Encourage formal mentorship programs within your organization, and remember that we all learn from each other, regardless of how old we are, or where we are from.
9. Learn to recognize when someone may need extra support. Education and training opportunities that provide tools and resources for managers and employees on how to have effective conversations with colleagues to help them get the support they need (and prevent further distress) are highly beneficial.
10. Regularly give thanks and celebrate when an employee gets it right. In these tough financial times, this is one strategy that will go a long way towards helping employees feel valued, and it doesn’t need to cost you a thing to implement.

## CONCLUSION

Examining key characteristics of generational cohorts and then tailoring workplace strategies towards each can be very effective. In fact, organizations that don’t do this will be at a disadvantage in this competitive marketplace. Managers and employees must keep open minds and be very careful not to stereotype. It is therefore very important to highlight some *universal* strategies that can be integrated to achieve a more productive and healthy workplace. Regardless of generational or cultural diversity, successfully implementing the above mentioned strategies may help organizations to thrive when it comes to managing, supporting and communicating with employees.

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## 9. BUSINESS FACILITATOR - AN ARBITRATOR FOR ACHIEVING FINANCIAL INCLUSION IN RURAL AREAS.

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### **ABSTRACT**

*Financial inclusion is defined as an activity of facilitating banking as well as financial services to the low income group people and people from most vulnerable group in the society. The successful achievement of financial inclusion can be done by the most effective and transparent financial services. In India, government has taken several initiatives to foster financial inclusion. Financial Institutions like banks has shown an immense increase in its extent to provide their banking services to the people from the unreached and excluded sections in the society. Business Facilitator is one of the divine step take by our government to reach and serve the banking products for the unreached poor people in our society. This paper about the roles and responsibilities of Business Facilitator to reach out rural areas and develop a conceptual framework that describes the participation of Business Facilitator in Financial Inclusion*

**KEYWORDS:** Banking Services, Financial Inclusion, Business Facilitator, Rural People

### **INTRODUCTION**

In India Dr. K.C. Chakrabarty, Deputy Governor of Reserve bank of India in October 2011 defined financial inclusion as a process of providing access to the financial services and products for the most vulnerable groups such as people from low income and weaker sections in the society at a very low affordable cost in a proper and transparent way by the recognized institutional participants. He also defines the basic necessities and expectations of the excluded members of the financial system such as safety and security of deposits, less transaction costs, less paper work, recurring deposits, easy access of credits, remittances fit to their income and expenditures. An innovative, technology-based banking model is giving people in remote areas of India access to formal financial institutions. In India, an effort has been made to achieve financial inclusion by using information and communication technology through a Business Facilitator. Promotion of the Business Facilitator is part of a broad financial inclusion initiative that the Indian government launched in response to increasing inequality in India.

### **OBJECTIVES:**

1. To discuss about the roles and responsibilities of Business Facilitator to reach out rural areas.
2. To develop a conceptual model that describes the participation of Business Facilitator in financial inclusion.

### **1. Roles and Responsibilities of Business Facilitator to reach out Rural Areas:**

In 2006 RBI has adopted the technology based bank agent bank model as an alternative banking structure for providing banking services for the rural people. The significant role of the model is to provide doorstep delivery of banking service for the people from underdeveloped sections in the society. This model is aided with the technology tools like biometric devices and point of sale hand held devices to facilitate financial services for the rural people in a transparent manner (Karmakar, 2009). Frost and Sullivan (2009) stated the Business Correspondent is the authorized agent to take transactions on behalf of the bank.



Bindu Ananth & Asha Krishnakumar(2010) has stated that yet so many people and enterprises still remain without access to the formal system of financial services. Due to difficulties in accessing credit, poor people resort to their own personal savings to invest in health, education, or entrepreneurial activities. In emergencies, their entire savings can be eroded, leaving them vulnerable. Hence, the effort is to distribute all government social security payments through banking channels. Once people have established bank accounts, they can deposit their government payments in the bank and also pursue formal credit from the bank (Anupam Kishore ,2012).

Khan (2012) narrated that BF's can bridge a gap between the service providers that is banks and service seekers (Rural Clients). Naveen Kolloju(2014) states that the features of the model is to identify the borrowers, collection and verification of the various loan applications, creating awareness about the various financial products and services available for the poor people, post – sanction monitoring and collection of small value loans & deposits. Business Correspondents are retail agents engaged by banks for providing banking services at locations other than a bank branch/ATM. Basically, BF's enable a bank to expand its outreach and offer limited range of banking services at low cost, as setting up a brick and mortar branch may not be viable in all cases. BF's, thus, are an integral part of a business strategy for achieving greater financial inclusion. The RBI guidelines strictly instructed banks to ensure that BF's cannot charge any fees to the customer for the services on behalf of the bank (CGAP, 2012). MF inclusion (2016) has stated that Business Facilitator (BF model). Since its introduction in the year 2006, the BF model has been seen as an innovative way of serving the unbanked by allowing the banks to reach out to them through a network of 'external agents'. The BF model represents a major departure from the conventional brick and mortar branch based banking framework. The BF model also does little to provide incentives to customers above the usual basic savings and bank deposit accounts. Given the exhaustive drive for financial inclusion done by the Government of India, one would have imagined that the level of activity by the banks would have increased especially in the rural spaces.

**1.1. Scope of activities done by Business Facilitators:** The scope of activities may include

- i. identification of borrowers;
- ii. collection and preliminary processing of loan applications including verification of primary information/data
- iii. creating awareness about savings and other products and education and advice on managing money and debt counseling;
- iv. processing and submission of applications to banks;
- v. promoting, nurturing and monitoring of Self Help Groups/ Joint Liability Groups/Credit Groups/others;
- vi. post-sanction monitoring;
- vii. follow-up for recovery,
- viii. disbursement of small value credit,
- ix. recovery of principal / collection of interest
- x. collection of small value deposits
- xi. sale of micro insurance/ mutual fund products/ pension products/ other third party products and
- xii. Receipt and delivery of small value remittances/ other payment instruments.

The activities to be undertaken by the BF's would be within the normal course of the bank's banking business, but conducted through the BF's at places other than the bank premises/ATMs.

**1.2. Distance Criterion:** With a view to ensuring adequate supervision over the operations and activities of the retail outlet/sub-agent of BF's by banks, every retail outlet/sub-agent of

BF is required to be attached to and be under the oversight of a specific bank branch designated as the base branch. The distance between the place of business of a retail outlet/sub-agent of BF and the base branch should ordinarily not exceed 30 kms in rural, semi-urban and urban areas and 5 kms in metropolitan centers. In case there is a need to relax the distance criterion, the District Consultative Committee (DCC)/State level Bankers Committee (SLBF) could consider and approve relaxation on merits in respect of under-banked areas etc.

**1.3. Transactions put through BF:** As engagement of intermediaries such as Business Facilitators/ Correspondents involves significant reputational, legal and operational risks, due consideration should be given by banks to those risks. The banks should adopt technology-based solutions for managing the risk, besides increasing the outreach in a cost effective manner. The transactions should normally be put through ICT devices (handheld device/mobile phone) that are seamlessly integrated to the Core Banking Solution (CBS) of the bank. The transactions should be accounted for on a real time basis and the customers should receive immediate verification of their transactions through visuals (screen based) or other means (debit or credit slip).

**1.4. Payment of commission/fee:** The banks may pay reasonable commission/ fee to the BF, the rate and quantum of which may be reviewed periodically. The agreement with the BF should specifically prohibit them from charging any fee to the customers directly for services rendered by them on behalf of the bank. The remuneration should combine fixed and variable parts dependent, inter-alia, on some indication or measure of customer satisfaction. Some part of the variable remuneration could be deferred or clawed back in case of deficiency of service. The banks (and not BFs) are permitted to collect reasonable service charges from the customers in a transparent manner. The arrangements with the BF shall specify:

- i) Suitable limits on cash holding by intermediaries as also limits on individual customer payments and receipts;
- ii) Cash collected from the customer should be acknowledged by issuing a receipt on behalf of the bank;
- iii) That all off-line transactions are accounted for and reflected in the books of the bank by the end of the day; and
- iv) All agreements/ contracts with the customer shall clearly specify that the bank is responsible to the customer for acts of omission and commission of the BF.

**1.5. Customer Education:** Financial literacy and customer education should form an important part of the business strategy and should form part of the commitment by banks adopting the BF model. Banks may scale up their efforts substantially towards educating their clientele in their respective vernacular languages regarding the benefits of banking habit. Information regarding BFs engaged by banks may be placed on the respective banks' websites. The Annual Report of the banks should also include the progress in respect of extending banking services through the BF model and the initiatives taken by banks in this regard. The banks may also use print and electronic media (including in the vernacular language) to give wide publicity about implementation of the BF model by them.

**1.6. Financial Inclusion Plan:** The Reserve Bank has been encouraging banks to adopt a structured and planned approach to financial inclusion with commitment at the highest levels by preparing board-approved FIPs. Out of 3,445 rural bank branches opened during 2014-15, 2,230 branches were opened in unbanked rural centres. Around 155 million basic savings bank deposit accounts (BSBDAs) were added taking the total BSBDAs to 398 million. Table 1 shows that 147 million accounts opened under PMJDY. With the addition of 2.6 million small farm sector credits (kisan credit cards-KCCs) and 1.8 million small non-farms sector credits (general credit cards- GCCs), the total number of such accounts went up to nearly 42.5 million and 9.2 million respectively.

Table 1: Financial Inclusion Plan-Summary Progress of All Banks Including RRBs

Particulars	Year ended March 2010	Year ended March 2011	Year ended Mar 2012	Progress April 2014 - Mar 2015
1	2	3	4	5
Banking Outlets in Villages - Branches	51,379	46,126	49,371	1,448
Banking Outlets in Villages - Branchless mode	54,216	137,479	394,142	195,494
Banking Outlets in Villages - Total	105,595	283,605	643,513	196,942
Unbanked Locations covered through BCs	447	46,716	96,947	36,117
Basic Savings Bank Deposit A/c. through branches (Rs. in million)	48.2	126.8	216.1	64.1
Basic Savings Bank Deposit A/c. through branches (A/c. in F billion)	44.3	271.3	565.8	61.7
Basic Savings Bank Deposit A/c. through BCs (Rs. in million)	13.3	196.9	107.8	70.9
Basic Savings Bank Deposit A/c. through BCs (A/c. in F billion)	10.7	88.8	78.9	35.4
BSBD A/c. Total (Rs. in million)	71.5	243.8	323.9	135.1
BSBD A/c. Total (A/c. in F billion)	55	360.1	644.7	97.1
OD facility availed in BSBD A/c. (Rs. in million)	6.2	5.9	7.9	1.7
OD facility availed in BSBD A/c. (A/c. in F billion)	5.1	16.8	18.9	2.9
RCDs (Rs. in million)	24.3	39.9	42.9	2.4
RCDs (A/c. in F billion)	1,248.1	1,684.8	4,262.3	667.9
ODD (Rs. in million)	1.4	1.4	5.1	3.8
ODD (A/c. in F billion)	35.1	1,080.8	1,301.6	204.7
ICT A/c. BC Transactions (Rs. in million)	26.8	129.8	477.9	477.6
ICT A/c. BC Transactions (A/c. in F billion)	6.9	124.4	855.9	668.4

## 2. Conceptual Framework that describes the participation of Business Facilitator in financial inclusion.

Promotion of the Business Facilitator is part of a broad financial inclusion initiative that the Indian government launched in response to increasing inequality in India. After hovering at a moderate 3.5 percent pace from the 1950s through the 1980s, India's economic growth rate accelerated to 6.5 percent between 1990 and 2010. However, the growth has not been shared equally. Income inequality, as measured by the Gini Coefficient increased from 32.9 in 1993 to 36.2 in 2004 (Ali and Zhuang, 2007) and much of the population of the country remains financially excluded. For example, according to 2008 data from India's National Sample Survey Office, 45.9 million farmer households, of the total 89.3 million farmer households, did not have access to formal credit. As of June 2007, the bank-to-population ratio was a dismal 1:16,000. Out of 600,000 settlements in the country, only 30,000 had a bank branch.

Recent studies have shown a strong link between the degree of financial exclusion and rates of poverty and inequality the higher the financial exclusion, the higher the inequality and poverty (Thorat, 2008). Hence, in India, financial inclusion has been made an integral part of poverty alleviation strategies, and the Eleventh Five Year Plan<sup>4</sup> envisioned financial inclusion as a key objective. The concept of "inclusion" was defined as a process of including the excluded as agents whose participation is essential in the very design of the development process (Planning Commission, 2007).

Financial inclusion has both demand-side and supply-side issues. On the supply side, the banks need to reach out to a wider section of society, including the poor and vulnerable. The issue here is high cost, which can be reduced only through information and communication technology solutions. On the demand side, the major factors are low income and low asset holdings. Due to difficulties in accessing credit, poor people resort to their own personal savings to invest in health, education, or entrepreneurial activities. In emergencies, their entire savings can be eroded, leaving them vulnerable. Once people have established bank accounts, they can deposit their government payments in the bank and also pursue

formal credit from the bank (AnupamKishore ,2012). Khan (2012) stresses that BF's can bridge the gap between the service providers (the banks) and the service seekers (clients) who are under-served and unbanked; and this model evolved to counter the scarcity of required manpower to reach all people in the current banking system. (Bhuvana&Vasantha, 2015) has stated that The government has taken several steps to promote financial inclusion. The innovative delivery channel is said to be the drivers of financial inclusion developed by the government helps in supporting the rural people to get an access for the financial services in a timely manner. But the rural people should be cultivated about the financial services and products by the officials of the bank to sustain their access in the formal financial institution.

## CONCLUSION

Since the BF model is agent driven, the success of it is individual driven wherein the efficiency and motivation of the agent in connecting with the customer plays a very important role. The banks have seen the entire financial inclusion initiative as 'mandate driven'. It is also true that managing retail channels is really hard business in a country with such a diverse geography, which makes it difficult for most of the banks that have no experience of operating beyond their own branches.

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## 10. NEW GEN CUSTOMER LOYALTY MANAGEMENT FOR MODERN ORGANISED RETAIL

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### **ABSTRACT**

*Modern retail formats are having a faster growth rate in India. Indian retail Industry is facing lot of challenges, besides stiff competition is maintained in the market. Customer Delight and Satisfaction is the key criterion used for differentiating the business with other competitors. This paper deals with various loyalty programmes initiated by corporate for attracting the retail customers. Existing programmes are not popularized among the public and thus a new loyalty management programme is proposed omitting the legacy practices with innovative ideas and it captures entire range of customers including middle class, upper middle class, high class, small-scale traders and business people.*

**KEYWORDS:** Retail, Promotion Schemes, Loyalty Programme

### **INTRODUCTION:**

Retailers exist to provide service to customers at a profit. All the functions of retailing like location, assortment, breaking bulk, providing inventory, marketing and so on – add value to the products purchased by the customers. Each function is adding value, provides a service to customers. It is retailer's role in adding value, which creates profit for retail organizations. Though there are several challenges for modern retailing like shortage of quality real estate and infrastructure, Opposition to FDI, Very high stamp duties, etc, the stiff competition can be faced through the key criterion, "Customer loyalty". Customer delight can promote the business largely even though the resource management is not proper.

Unorganized, Traditional retail formats enjoy more customer loyalty and deliver much satisfied customer experience. Without any technology oriented formal practices an individual owner of an unorganized retail can build customer loyalty. Environment, communication and personal touch with the customers creates the native emotion towards the customer even without the knowledge of the retailer. Unorganized retail formats say for kirana shops are low cost structures, mostly owner-operated, has negligible real estate and labour costs and little or no taxes to pay. Consumer familiarity that runs from generation to generation is one big advantage for these unorganized players. Shopping at these unorganized forms has a positive effect on the customer with joy and a reassurance for best deal. These advantages need to be compensated by organized retail formats to capture the potential markets.

In the current scenario, all the leading retail giants identify the service characteristics like Intangibility, Heterogeneity, Perishability, Ownership and Inseparability. They are also trying hard to close the service gaps like knowledge gap, delivery gap, standards gap and communication gap for establishing strong customer relationship. All those modern retails are offering Loyalty Programmes to attract the customers. These Customer Loyalty Programmes are not much successful in India as it fails to focus on the target segments. Generalized loyalty schemes, bonus cards and value cards are the Loyalty Programme options followed in practice. Specialized Loyalty Programmes to different set of segments can reach the customers easily. Potential retailer can provide a variety of options to the customers even in choosing the appropriate loyalty programme.

Transformation is the one word, which can best describe the state of the retail industry at a global and the Indian level. Being a dynamic industry, Indian Retail business requires continuous changes with a blend of tradition and culture. Without retaining the Indian value, there will not be any success. This paper is focusing on such kind of suitable loyalty management programme for a modern retail format in India. Retailers need to take in to consideration, the customers shopping motives and the profile of those targeted customers while designing the loyalty programmes.

#### **REVIEW OF LITERATURE:**

Tapas and Subidita (2016) studied the various types of schemes like festive promotions; loyalty card programmes, event promotion, in-store promotion, price of free gifts; exchange offers and quarterly profit based on target achievement have impact on retailer's preference in retailing apparel products.

Robert et al., 2012 indicated that trade promotions like branded price promotion is accepted across different range of food products than price discounts.

Mark et al., 2012 proposed a conceptual model showing Brand equity affects retailer commitment while financial offers influence on retailers' performance evaluation of brand.

Kusum and Bari (2008) identified pass through promotion is having high effectiveness for private label products, categories with high sales, promotion lift and less profit.

#### **RESEARCH GAP:**

Increasingly competitive market means that Retail Business is growing at a faster pace. Retailing itself is a service and customer delight and satisfaction is an essential function of a retailer. Managing customer loyalty programme requires deep knowledge about the profile of the targeted customer and their buying motives. Based on this customer loyalty programme is designed for capturing all sorts of retail customers ranging from middle class, upper middle class, small traders, business men and high class people. Legacy practices in customer loyalty schemes do not have this variety of options in their programmes.

#### **RESEARCH OBJECTIVES:**

- To study the various existing loyalty schemes offered by the leading organized retail leaders
- To find the drawbacks in the existing loyalty schemes and to explore the expectations of customers
- To propose a new gen inclusive customer loyalty program

#### **EXISTING LOYALTY PROGRAMS:**

To start with, let us discuss about the existing Customer loyalty options offered by modern retail formats. Later an analysis can be made with their merits and demerits, operating style, etc. Finally, we can proceed to the proposed Customer loyalty management programme.

Both manufacturers and retailers offer loyalty programmes to stimulate continued patronage among consumers through discounts, cash, free-goods and special services. Some retail formats offer loyalty programmes through giving members allowances based on their annual purchases. Customer points are allotted for each purchase and these points are redeemable for a broad selection of merchandise. Leaders in modern retail are offering different variety of loyalty programs, still their high levels of consumer membership is low and many loyalty programs have not been successful. Let us briefly discuss about some of the existing customer loyalty programmes.

**Reliance One:** Reliance One Membership program is a relationship-marketing program introduced by Reliance Retail. Reliance Retail will be present across India, even in small towns and talukas providing customers with superior shopping experience and the widest range of daily household products and services. As a Reliance One Member, the customer will get the following benefits:

- Earn Reliance One points on all the purchases at Reliance Retail stores
- Bonus Reliance One points even on everyday essentials
- Special Offers customized for the customer's requirement
- Discount Vouchers
- Exclusive Reliance One Members only preview for promotions
- Invites to exclusive events

**Petro Bonus:** In an effort to build lifetime relationships with its retail customers, Bharat Petroleum, on September 29, 1999, launched the Petro Bonus Programme – the first of its kind in India. With this launch, BPCL leapfrogged into the next stage of providing consumer convenience, using the-state-of-the-art Smart Card technology. Petro Card is a plastic card, with an embedded microprocessor chip that accepts, stores and send information. Petro Bonus is a unique programme offering convenience as well as security of paying for fuel and convenience store purchases at its 'In &Out' stores through an electronic purse, with the added opportunity to collect valuable rewards and exclusive benefits.

For customers the key benefits of the Petro Card are as follows:

- Cashless convenience,
- Acceptance at over 4300 outlets across the country,
- Quality assurance at Pure for Sure outlets,
- Managing and tracking of fuel spends.

Petro Bonus outlets have Convenience Stores – 'In &Out', Open from early morning to late evenings. Members can conveniently do a cashless shopping using their Petro Card to pay for their purchases at the In &Out Store and earn rewards points for these purchases too.

**Anuttara:** Anuttara is an extension of all that Tanishq (A Tata Enterprise) stands for. It is a relationship program, which offers the customer with reward points. The customer can start earning reward points only after becoming a Permanent Member. As a Temporary Anuttara member, he can accumulate his purchases to Rs. 35,000 to become a Permanent member, after which he will start earning points. All transactions only after receiving the Anuttara Card will be taken into account for reward point calculation.

#### **Proposed new loyalty scheme – Smart Shoppe:**

There are lot of merits and demerits with the existing membership cards, loyalty schemes and Bonus options. A new Loyalty Scheme is introduced by incorporating the positive values from the legacy models, including innovation and attractive ideas. The new Customer Loyalty Programme is named as "Smart Shoppe" It uses the smart card technology with more variety of options for capturing customers from different societal class. This Loyalty programme will be suitable for established organized retail formats.

Smart Shoppe Scheme introduces a personalized smart card for the loyal customers. The card can be used for shopping, watching movie, using services from beauty spa, gym, restaurants etc, within the mall.

These types of membership card schemes are not popularized among the target customers, as it does not add any value in their purchase. When the customer purchased for 10,000 rupees, hardly he can earn few points. The reward points that he earned will not be used for that purchase too. He needs to bring the card for the next time for getting benefit for the previous points that he earned. The new Smart Shoppe will give the customer the benefit of his purchase at that time itself. In addition, the level of purchase gives an additional reward points to his account. The additional points will be accumulated to his account and the customer can use the benefit of these additional points whenever he required.

Apart from these basic facilities, Smart Shoppe provides a different variety of options for targeting different segments of customers. The three variety of options introduced as of now includes the following:

1. LoPay Premium Card
2. ULTRA Card
3. BOOST Card

These cards are also having add-on packages, which can be utilized by the targeted customers according to his needs and wants.

**LoPay Premium Card:** LoPay Premium stands for **Loyalty Pays** Premium. The card is designed for middle class and upper middle class customers. These targeted customers will plan their monthly expenses and most of them will be having the habit of preparing budget for their monthly expenses. These customers can enroll themselves in this membership scheme after making a purchase in the retail outlet without any additional fee for enrollment.

After registering as a LoPay Premium member, monthly 10% of the customer's salary will be transferred to the LoPay account. In case of non-salaried customer, monthly a fixed amount will be deducted from any of his/her bank account. Electronic clearance process is used for these transactions.

Monthly shopping can be done with the usage of this card. If the purchase is exceeding the amount in the account, it can be compensated with cash payment. Additional Add-ons are also available for these cards.

**ULTRA Card:** ULTRA Card stands for **UL**timate **TR**ading **A**dvantage Card. This card is designed for the Business people and Small Vendors. The targeted customers will be wholesalers also. These customers can purchase the bulk for business purposes at an economically cheaper rate with the usage of ULTRA Card.

Based on the average amount of purchase for the customer's business need, he is charged to pay an initial fixed amount. The initial amount will be 3 times more than the need. Apart from having cost advantage, the customers are allowed for purchasing exclusive private brands in bulk from the retail outlets. This Scheme will encourage the local kirana shop owners to develop their business. There will be a false notion that branded organized retail giants will sweep the market and block the opportunities of local traders. These cards can capture even those traders and can provide opportunities to develop their business. Attractive add-ons are available for this card also.

**BOOST Card:** BOOST Card stands for **B**onus **O**ptions **O**n **S**hare **T**rading Card. This card is designed for High-class people and business professionals. The customers can contribute to specified range of amount to the organization, which may be equal to few numbers of shares. Apart from this amount, fixed deposit starting from 10,000 is paid as an initial investment. Shopping can be made with the prepaid fixed amount. There will be a threshold limit for the purchase and repayment is essential when the threshold limit is met.

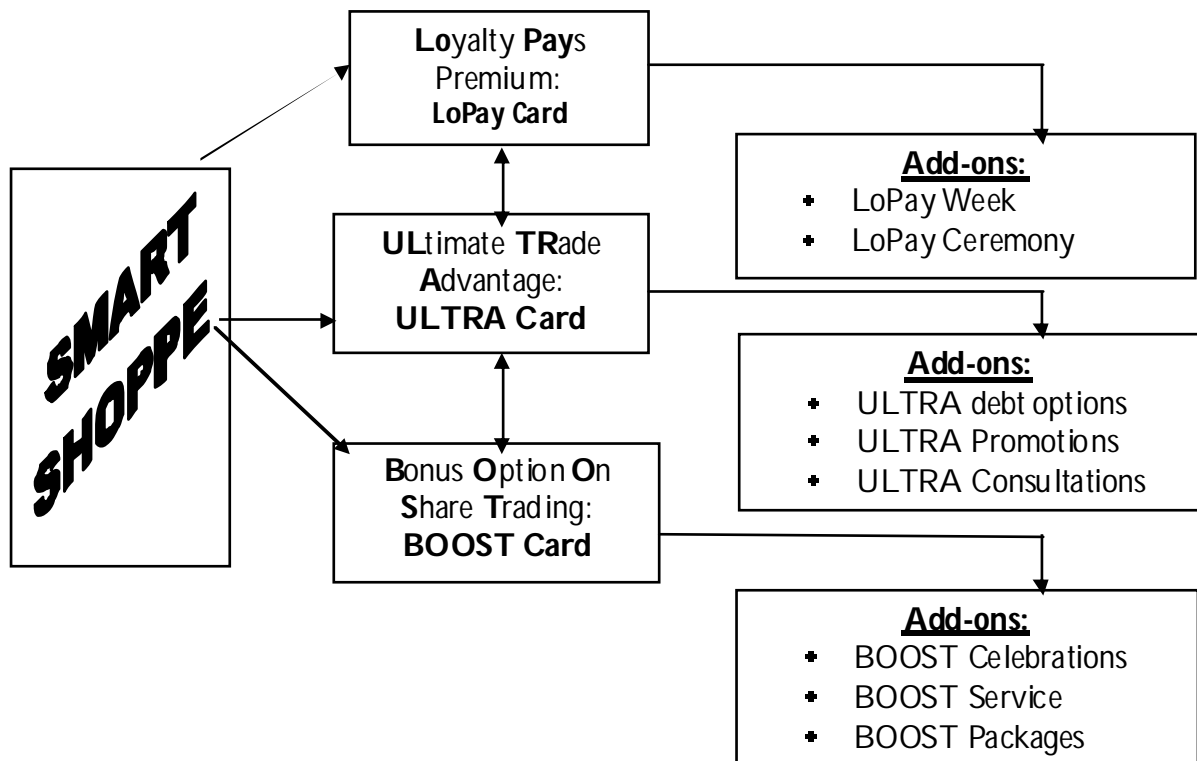
Whenever the market price of shares increases, the customers can get value added offers, bonus options and additional reward points to his account. Customer can save these additional advantages and there will not be any validity limit for the additional advantages gained. There will not be any loss for the customer when the market price goes down.

The owned shares of BOOST Card cannot be used for other trading purpose apart from purchase of products and services within the retail outlets. Additional add-ons are available for this scheme also. Cashless shopping and premium product range, periodical consulting with professionals for personal care can be availed with the use of these BOOST cards.

The BOOST card members can also enjoy the preferential membership with the clubs owned by the retail corporations. These are the variety of advantages given by Smart Shoppe Scheme.

**LoPay Week:** LoPay Week is a specified period within that time premium offers, discounts and melas are conducted within the retail outlet exclusively for LoPay Customers. Lucky draws, parties with celebrities with other celebrations are also made.



**MODEL FOR SMART SHOPPE:****Smart Shoppe Model developed by Author**

**LoPay Ceremony:** LoPay customers can save their additional reward points for a specified family ceremonies like marriages, house warming functions, birthdays etc, and special prizes and cash offers are given to these members based on their level of purchase, frequency of visiting to the stores and reward points

**ULTRA debt options:** ULTRA members can get the products for debt without any interest. The debt level will not increase beyond the initial payment. Initial amount will not be refunded until the customer wants to return the loyalty card. In addition, the debt needs to be returned back even in installment within 2 months time.

**ULTRA Promotions:** ULTRA customers can promote their business by increasing their level of business with the help of utilizing loans and promotional offers. Team from the organization visits the customer's business unit and analyzes the eligibility for business promotion.

**ULTRA Consultations:** Free consultations with the business experts, marketing people are arranged for ULTRA members. Operations about SEBI, BSE, NSE and some more training programmes are conducted exclusively for ULTRA members.

**BOOST Celebrations:** BOOST members can celebrate the festivals and special occasions with the organization. Special offers, cash prizes, discounts are given.

**BOOST Service:** BOOST members are allowed for service segments in the mall including spa, cinema, gym and recreational clubs with the usage of prepaid cards available for BOOST members.

**BOOST Packages:** BOOST packages include special holiday packages with air travel facilities and recreational clubs.

These add-on advantages have specified range of points. Based on the reward points gained by the customer, the suitable add-on can be utilized. Customer can enjoy the benefit of all the three types if he wishes to join. Finally, these varieties of offers and loyalty programmes can induce the customers to buy and make their purchase experience to be a

delightful one. Personal touch can be incorporated within the customer and retailer relationship. A Win-Win environment is created with this kind of loyalty programme.

### **CONCLUSION:**

The new proposed loyalty scheme is suitable for all segments of target population. Numerous advantages like cost benefits, business development, trading exposure are given to the loyal customers through this Smart Shoppe Scheme. With all these advantages, the new loyalty programme can gain more popularity among the public. The customer can ensure that their loyalty is valued and this induces repeated purchase within the retail.

Thus, Smart Shoppe Scheme involves:

- Technology advancements for triggering young customers,
- Attractive offers influencing home makers and
- Innovative ideas for capturing business people

As a whole, customer delight and customer satisfaction is achieved through this new loyalty management programme. Modern retail formats can adopt this technique for promoting the business and brand loyalty.

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## 11. GENERIC SKILLS OF GRADUATES FROM THE EMPLOYERS PERSPECTIVE

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### **ABSTRACT**

*Generic skills are key competencies that can be used across a large number of different occupations and they provide a platform for the development of employability skills needed by young people and adults. These skills once acquired remains with the individual throughout his life and help him to succeed not only in studies but in career and life also. This paper elucidates the generic skill of the graduates and the expectation of the employer from the graduates.*

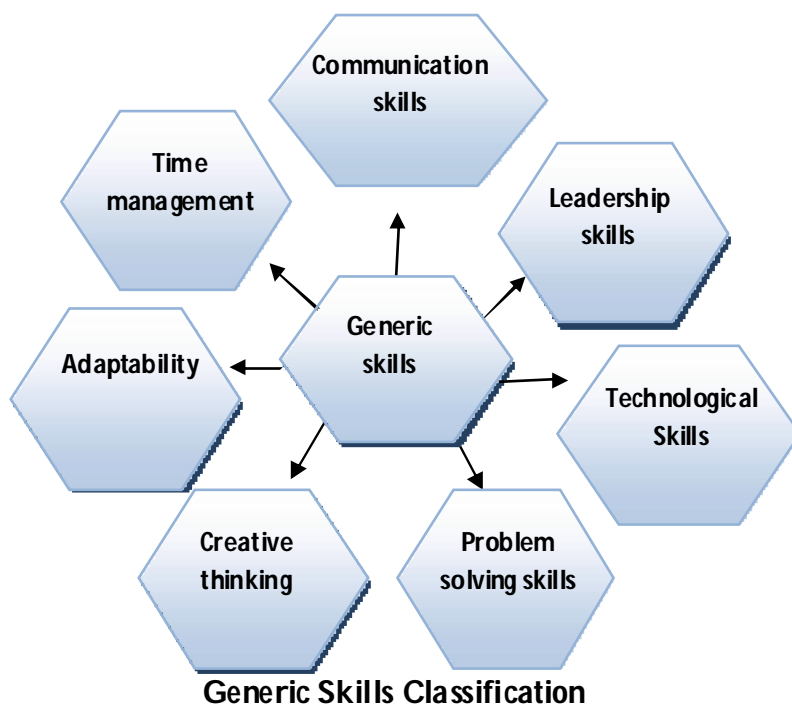
**KEYWORDS:** Generic Skills, Employer, and Graduate

### **INTRODUCTION**

In Today's Competitive world generic competencies are most essential to succeed across work environment. There was a dramatic change in the type of skills required to accomplish their every day task and at the same time employer also expected generic skills from the employee to achieve their organization goal. Now a day's all the organization enhance their Product and service through new technology and in turn it improve the quality, variety, customization, customer focus, speed of innovation to the product and service so the employee need generic skill to perform their work effectively and efficiently. Generic skills are referred as "meta-skills," "character skills" or "learning skills". The word "generic" comes from the Latin "genus." It has the same root as "generate." Generic skills facilitate to generate new skills which help to manage, to adapt the changes and to face difficult situation etc. Generic skills help to learn from doing and from the experience. Generic skills which are educated in one workplace will also be applicable in another work place. Now a day's graduates are not only equipped with wide knowledge and they should put the theory into live out along with the skill required for their development in work place. Graduates with high generic skills are the most preferable for taking on a job. By taking this as a background the study was undertaken.

### **GENERIC SKILLS:**

The skills which can be used in different kind of business and also applied in different situations. It also referred to as generic capabilities, enabling skills or even key skills. What they describe are non-technical skills and competencies which play a significant part in contributing to an individual's effective and successful participation in the workplace. The Australian chamber of Commerce defines generic as skills required not only to gain employment but also to progress within an enterprise so as skills are also sometimes referred to as generic skill capabilities or key to achieve one's potential and contribute successfully to organization strategic directions. Generic Skills are essential for individual to maintain their employability in changing environment. Generic Skills are also known as skills, qualities and trait that an individual has to master in order to succeed in their studies as well as in career also. Generic skills differ from technical skills and it refers to personality, traits, communication. There are six Types of generic skills and they are as follows:



## REVIEW OF LITERATURE:

**Fallows and Stevens (2000)** his study find that there are four main generic skills are important for graduate must possess and also employer expect form graduate, namely retrieval and handling information; communication and presentation; planning and problem solving; social development and interaction

**Crebert(2002)** has identified the three major generic skill which develop the graduate attributes namely: (1) University context: written communication, oral communication, teamwork, analysis, and critical evaluation; (2) Work placement context: oral communication, knowledge, written communication, practical and technical experience, and interpersonal skills; (3) Employment context: oral communication, written communication, teamwork, assuming responsibility and making decisions, and practical and technical experience/interpersonal skills

A study by **Zaharim et al. (2009)** identified the perception and the expectation of employers on skills owned by engineering graduates in their work place. The finding indicates that the majority of those companies employing graduates have been satisfied with the knowledge and skills of the graduates they recruit. Employers' expectation and perception play an important role in determining the employability skills needed.

## GENERIC SKILLS OF GRADUATES FROM THE EMPLOYERS PERSPECTIVE

### 1. Communication Skills

The employers have highlighted two major types of communication skills that graduates should possess namely, public relation skills and public speaking skills. In Public Relation skills employer expect from graduate is interaction with their client, stakeholders, customer, superior, Peers, aged citizen. Graduates should prepare themselves mentally and physically with adequate verbal and non verbal abilities to absorb and adapt to various groups and various situations. Now a day's organizations using latest technology for convey message to audience by using multimedia like facebook posting, video conferencing, blog writing etc., these are the essential way to convey the message effectively. Meanwhile the public speaking skills are also equally essential for the graduate for Presentation at seminars, conference, general presentations to industry or customer or public or government

**2. Leadership Skills**

Leadership is the ability and willingness to take ownership of the organization (or the component of the organization that one is charged with managing), combined with an intrinsic drive to do what is best for the organization. Leader should be effective, built on a solid foundation consisting of a clear mission, a vision for the future, a specific strategy, and a culture conducive to success. Effective leaders must exhibit specific skills and attributes to achieve the goals of the organization. These traits include excellent communication skills, empathy and emotional intelligence, team-building skills, an understanding of the competitive landscape, strategic thinking, and courage.

**3. Technological Skills**

The Majority of the employers regarded computer skill as important to organizational need. Employers are recommend that graduates must have adequate basic knowledge in the use of software such as word, Excel, power point and should have enough knowledge in Email ethics, database management, File Management, Scanner Knowledge, Installing Computer Software onto a Computer System.

**4. Analytical skills**

Analytical skills are skills such as computing, visualization, articulation, and solving both complex and basic problems. Analytical skills are also skills that can be improved upon with practice and repetition. What most people don't realize is that analytical skills are not ones that can be taught in a classroom, they are taught by actually working the problems in real life. Analytical skills are highly important in every aspect of every single job out there. If you don't understand the basic principles of the job, then it will make your job that much harder. That is why analytical skills are so important.

**5. Problem Solving Skills**

The employers perceive that graduate should be well versed in their problem-solving skills Problem-Solving is a universal job skill that applies to any position and Every Industry. While everyone is tasked with some form of problem-solving in their Workplace, not all employees are good at it. Problem solving is the process of recognizing a difficulty, identifying possible solutions, and then implementing one. Problem solving is the source of all new inventions, social and cultural evolution, and the basis for market based economies. It is the basis for continuous improvement, communication and learning.

**6. Creative thinking**

Employer expects the graduate should have creative thinking is a way to look at and solve the problems from a different perspective, and thinking outside the box. This creative process allows explore connections, meet new challenges and seek solutions that are unusual, original and fresh.

**7. Adaptability**

Employers are increasingly shifting from single roles to rotation of roles and flexible job descriptions. It's a sought after skill as it indicates the employee can adapt to changing customer needs, technology trends. An adaptable person is someone who can carry out multiple tasks, manage multiple assignments by setting priorities and making changes to attitude to merge with the new culture.

**8. Time Management:**

Employer expects the time Management from employee because it helps employees to finish work within the assigned time and stay stress free and relaxed through out the day. Time Management helps you plan specific time slots for all your day to day tasks at workplace. Effective time management skills are key to a successful work life, and play a major part in many of the top attributes valued by employers.

## CONCLUSION

Employability skills have often fallen on acquisition of generic skills and development of graduate attributes. Since the continuum of employability skills is lifelong learning, the acquisition of such generic skills can start from the personal attributes of the individual graduates, to successive learning and socialization through family, community, schooling, university, and employment experiences. Graduate students need to be aware that employers will evaluate candidates on the basis of how their diverse skill set can enhance their workplace, and how their personality will complement their new community. Suggestions to lead graduate students in a direction that will leave them well prepared for the challenges they face in a global environment include a strong focus on professional development.

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## 12. CHALLENGES OF RURAL MARKETING IN FMCG SECTOR

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### ABSTRACT

*While rural markets offer big attractions to the marketers, it is not easy to enter the market and take a sizeable share of the market within a short period. This is due to low literacy, low income, seasonal demand and problems with regard to transportation, communication and distribution channel. We are moving into a new area of development and the base is shifting towards Indian Villages. Thus, rural markets offer an opportunity and challenge for the marketers. The need of the study regarding attitude & behavior of the rural customer towards the branded hair oil has several meanings and definitions. Rural market of India has a large potential still untapped. So it would be very vital to know about the customer behavior in such a segment of the market as it would be of great help to the marketers to understand the consumer pattern in that niche. This study will also help to determine the brand loyalty of the rural customer towards the various FMCG brands and thus accordingly companies can build their strategy. The study would also reveal about the problems faced by the rural customers with regard to branded FMCG products which would again be very much crucial to know.*

**KEYWORDS:** Rural Markets, Transportation, Communication, FMCG

### INTRODUCTION

The concept 'Rural' and 'Marketing', though used very frequently in various terms, the joined concept 'Rural Marketing' means different things to different persons. In Rural Marketing is defined as any marketing activity in which one dominant participant is from a rural area. This implies that rural marketing consists of marketing of inputs (products or services) to the rural as well as marketing of outputs from the rural markets to other geographical areas. From my point of view, rural marketing is promotion of a organization's or individual person's products in the rural market by using different type's strategies which varies from used strategies of urban market as the rural market is more price-sensitive but it has more preference for quality.

India's Rural Market for consumer products and services is growing at an accelerated pace. An urban marketer interested to tap these marketing opportunities in rural India needs to develop a deeper understanding of the rural marketing ecology. Further, a marketer requires better insights on the logic of organizing marketing efforts in rural areas considering these rural specificities.

Therefore it is essential to clearly format the rural marketing tasks looking at the complexities in India's rural milieu. The dynamics of rural consumer behavior, their cultural context, distribution problems, all need to be deciphered in its multifarious dimensions for sustaining high performance by marketers. Marketing organizations involved in marketing to rural India with their products and services must understand and introduce strategies, which are compatible and effective, in all stages of the rural marketing intervention cycle. The programmer is cast in the background of these facets pertaining to rural marketing.

The emergence of rural markets as highly untapped potential emphasizes the need to explore them. Marketers over the past few decades, with innovative approaches, have attempted to understand and tap rural markets. Some of their efforts paid off and many

markets still an enigma. Rural marketing is an evolving concept, and as a part of any economy, has untapped potential; marketers have realized the opportunity recently. Improvement in infrastructure and reach, promise a bright future for those intending to go rural. Rural consumers are keen on branded goods nowadays, so the market size for products and services seems to have burgeoned.

The rural population has shown a trend of moving to a state of gradual urbanization in terms of exposure, habits, lifestyles, and lastly, consumption patterns of goods and services. So, there are dangers on concentrating more on the rural customers. Reducing the product features in order to lower prices is a dangerous game to play. Rural buyers like to follow the urban pattern of living.

## **REVIEW OF LITERATURE**

**Garg Bhawna (2007)**, in his studies concluded that, rural markets are growing rapidly because of social, political and economic changes. Rural consumers are fundamentally different from their urban counterpart. In present scenario hair oils is one of the many products, which is consumed by the rural consumer more than their counterpart. The rural consumers consume hair oils as essential goods. Many companies are marketing their hair oils under different brand names. This has made it essential to probe in to and analyse the impact of socio-economic influences in rural consumer behaviour in terms of their buying practices, brand loyalty and behaviour changes of rural consumers.

**Banerjee (2009)** though there are number of road-blocks in the path of proper distribution in rural markets, by designing and adopting effective strategies and proper use of resources, marketers can overcome these barriers and explore the opportunities lying untapped in rural market to achieve the organizational goal - profit maximization.

**Jain (2009)**, in his article titled, "Issues related to rural marketing" has remarked that rural marketing must find its own distinct perspective before theory construction can begin in the field. After reviewing the literature on marketing and economic development, it is proposed that development of rural people should be the perspective of rural marketing.

**Kashyap (2010)**, in his book titled, "The Rural Marketing" has remarked that a number of variables come into play when while trying to map consumer behavior in rural India. The differences of behavior to the same stimulus between two localities in the village, between two villages, between districts and between states, are so large that no single model can be applied blindly to the whole of rural India.

**Muthukumaran (2011)** concluded that the Indian Restaurant industry has come of age by diversifying its services and trying to cater to Indian rural taste buds and is staying in the competitive arena amongst international giants and is able to provide better services to the customers.

**Neelmani (2011)** in his findings stated that Consumer's attitude to the Private Labels has been a very important research area in the modern consumer behavior study. Private Label Brands in India is in early phase and is all set to grow by leaps and bounds. The market size of private label brands will expand and therefore a lot of innovativeness and competition will creep in this segment. All these developments in the Private Labels segment would render the consumers with more choices.

## **OBJECTIVES OF THE STUDY**

1. Sensitize participants on the nuances of rural marketing environment
2. Develop capabilities for clearly identifying, complex, real life rural marketing problems in a holistic perspective
3. Identify and assess rural market potential for products and services
4. Equip participants with mindset and skill set to help them develop appropriate marketing mix strategies for products and services in different stages of their life cycle.



**METHODOLOGY:**

The study is descriptive in nature and only secondary data has been used in it. The secondary data consist of the books, various research journals, and various web sites.

**THEORETICAL BACKGROUND**

**Transportation:** Transportation is an important aspect in the process of movement of products from urban production centers to remote villages. The transportation infrastructure is extremely poor in rural India. Due to this reason, most of the villages are not accessible to the marketing man. In our country, there are six lakhs villages. Nearly 50 per cent of them are not connected by road at all. Many parts in rural India have only kachcha roads. During the monsoons, even these roads become unserviceable. Regarding rail transport, though India has the second largest railway system in the world, many parts of rural India however, remain outside the rail network.

**Communication:** Marketing communication in rural markets suffers from a variety of constraints. The literacy rate among the rural consumers is very low. Print media, therefore, have limited scope in the rural context. Apart from low levels of literacy, the tradition-bound nature of rural people, their cultural barriers and their overall economic backwardness add to the difficulties of the communication task. Post, telegraph, and telephones are the main components of the communication infrastructure. These facilities are extremely inadequate in the rural parts of our country. In rural areas, the literacy percentage is still low, compared to urban areas. In India, there are 18 recognized languages. All these languages and many dialects are spoken in rural areas. English and Hindi are not understood by many people. Due to these problems, rural consumers, unlike urban consumers do not have exposure to new products.

**Warehousing:** A storage function is necessary because production and consumption cycles rarely match. Many agricultural commodities are produced seasonally, whereas demand for them is continuous. The storage function overcomes discrepancies in desired quantities and timing. In warehousing too, there are special problems in the rural context. The central warehousing corporation and state warehousing, which constitute the top tier in public warehousing in our country, have not extended their network of warehouses to the rural parts. Village structure in India: In our country, the village structure itself causes many problems. Most of the villages are small and scattered. It is estimated that 60 per cent of the villages are in the population group of below 1,000. The scattered nature of the villages increases distribution costs, and their small size affects economic viability of establishing distribution points.

**Rural markets and sales management:** Rural marketing involves a greater amount of personal selling effort compared to urban marketing. The rural salesman must also be able to guide the rural customers in the choice of the products. It has been observed that rural salesmen do not properly motivate rural consumers. The rural salesman has to be a patient listener as his customers are extremely traditional. He may have to spend a lot of time on consumer visits to gain a favourable response from him. Channel management is also a difficult task in rural marketing. The distribution channels in villages are lengthy involving more intermediaries and consequently

**Higher consumer prices:** In many cases, dealers with required qualities are not available. Inadequate banking and credit facilities: In rural markets, distribution is also handicapped due to lack of adequate banking and credit facilities. The rural outlets require banking support to enable remittances, to get replenishment of stocks, to facilitate credit transactions in general, and to obtain credit support from the bank. Retailers are unable to carry optimum stocks in the absence of adequate credit facilities. Because of this problem, they are not able to offer credit to the consumers. All these problems lead to low marketing

activities in rural areas. It is estimated that there is one bank for every 50 villages, showing the poor banking facilities in rural areas.

**Market segmentation in rural markets:** Market segmentation is the process of dividing the total market into a number of sub-markets. The heterogeneous market is broken up into a number of relatively homogeneous units. Market segmentation is as important in rural marketing as it is in urban marketing. Most firms assume that rural markets are homogeneous. It is unwise on the part of these firms to assume that the rural market can be served with the same product, price and promotion combination.

**Branding:** The brand is the surest means of conveying quality to rural consumers. Day by day, though national brands are getting popular, local brands are also playing a significant role in rural areas. This may be due to illiteracy, ignorance and low purchasing power of rural consumers. It has been observed that there is greater dissatisfaction among the rural consumers with regard to selling of low quality duplicate brands, particularly soaps, creams, clothes, etc. whose prices are often half of those of national brands, but sold at prices on par or slightly less than the prices of national brands. Local brands are becoming popular in rural markets in spite of their lower quality.

**Packaging:** As far as packaging is concerned, as a general rule, smaller packages are more popular in the rural areas. At present, all essential products are not available in villages in smaller packaging. The lower income group consumers are not able to purchase large and medium size packaged goods. It is also found that the labelling on the package is not in the local language. This is a major constraint to rural consumers understanding the product characteristics.

## FINDINGS

1. Data collection error may be there due to wrong response from respondents as some time they are not the right person who take actual decisions.
2. Problem of time and lack of positive behaviour from the respondents sometime may leads to wrong information from them.
3. Some of the respondents can hide the real information.
4. A sample size cannot always represent the whole population.
5. Sometime when researcher put the question before the respondents they sometime take it otherwise and respond according to their

## CONCLUSION

The rural market is very large in compare to the urban market as well as it is more challenging market. The consumer wants those products which are long lasting, good, easy to use and cheaper. The income level of rural consumers is not as high as the income level of urban consumers that's why they want low price goods. It is one of the reasons that the selling of sachet is much larger in the rural area in all segments. It is necessary for all the major companies to provide those products which are easy to available and affordable to the consumers. It is right that the profit margin is very low in the FMCG products, but at the same time the market size is much large in the rural area. The companies can reduce their prices by cutting the costs on the packaging because the rural consumers don't need attractive packaging. Rural market has an untapped potential like rain but it is different from the urban market so it requires the different marketing strategies and marketer has to meet the challenges to be successful in rural market.

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### 13. THE CHALLENGES OF EFFECTIVE LEADERSHIP DEVELOPMENT

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#### ABSTRACT

*In this global competitive environment, effective leadership style is necessary to reduce the attrition rate. From the effective leadership styles only it is possible to achieve organizational goal productively. Leadership styles affect on the employee performance and productivity. This paper summarizes and analyzes the available literature of leadership styles and effect on different components of Quality of work life.*

*Leadership development involves a wide range of practices acknowledged as essential for maximizing the potential of an organization's human capital and growth opportunities. This is reflected in the estimated 40 billion dollars spent by organizations on leadership development annually in the United States alone, 14. To maximize the return on this significant investment, leadership development programs and initiatives must be designed with attention to current research and best practices.*

**KEYWORDS:** Leadership, Leadership styles, productivity, performance, work life.

#### INTRODUCTION:

The rapid growth of the economic environment as well as the emergence of the internet made it easier to communicate with countries around the world. This in turn changed the business environment in every country, causing competitiveness in the market that increases with each passing year (Friedman, 2007). In order to keep their business afloat, business owners discovered they had to offer better quality products at a lower cost, employ strategies that were uniquely suited for the organization to adapt according to current business trends and also flexibility in facing the rapid change of the business environment.

Effective leadership is one of most essential parts of the overall method for an organization to sustain their business in the face of problems caused by the rapid growth of the economic environment. (Cabeza Erikson, Edwards, and Van Brabant, 2008) Leaders are the one who control and take charge of the operation of an organization and good leaders are able to set optimistic goals and objectives while steering the operation of the company towards those goals through effective strategies. Other than that, good leaders can also influence their employees and motivate them by strengthening a positive organization culture and through generous employee benefits, for instance health care insurance, worker compensation, leave benefit and others.

Intelligent leaders also have the responsibility to use their skills and knowledge to effectively and efficiently guide their business forward in the face of an uncertain future and also to decrease the feelings of insecurity in their employees caused by that uncertainty. A leader has the power to influence the success of the organization, due to his full power to control the direction of the organization, as well as through the influence they exert on their employees that motivates them to bring the company to greater heights.

#### REVIEW OF LITERATURE:

Yukl (1999) argues that charismatic leadership and transformational leadership are partially overlapping concepts. Hence, it is suggested that transformational leadership could be considered to be the concept that comprehensively covers charismatic leadership, visionary leadership and cultural leadership (Kuhert 1994). It also explains the process of leadership that is able to influence people in the organization in both specific and general areas. To support this, Alves et al. (2007) proposed that a continuous learning culture is

expedient for any organization seeking improved performance. In particular, Martins and Terblanche (2003) suggested that top management is required to encourage curiosity in organizational members, to ascertain new knowledge and valuable solutions to be introduced into the workplace. To sum up, it describes top management who emphasize building employees' motivation to generate productivity for the entire organization.

**Mandell and Pherwani (2003) and Oshagbemi (2008)** proposed that although there were significant differences between gender and the leadership styles of top management they found that age is directly related to leadership styles of the top managements.

**Noruzi et al. (2013)** predicted the connection between leadership styles, organizational learning, knowledge management, organizational innovation and organizational performance. They found that transformational leadership positively and indirectly influenced organizational innovation through organizational learning and knowledge management. Knowledge management and organizational learning influenced organizational performance indirectly by organizational innovation. They also recommended that top management should consider applying a transformational role and the use of organizational learning and knowledge management; this would create organizational innovation and consequently enhance organizational performance. Correspondingly, Bryant (2003) asserted that transformational leadership could be more effective at creating and sharing knowledge at the individual and group levels, while transactional leadership is more practical at developing knowledge at the organizational level.

#### **OBJECTIVES:**

- To study the challenges of the effective leadership development.
- To provide you the opportunity to think about your own strengths and weaknesses and how this will affect and enhance career choices.
- To make you more well rounded by exposing you to topics related to career development, leadership skills, self and balance, and community involvement.

#### **METHODOLOGY:**

The study is descriptive in nature and only secondary data has been used in it. The secondary data consist of the books, various research journals, and various web sites.

#### **THEORETICAL BACKGROUND:**

Leadership development refers to activities that improve the skills, abilities and confidence of leaders. Programmes vary massively in complexity, cost and style of teaching. Coaching and mentoring are two forms of development often used to guide and develop leaders. According to Baldwin and Ford (1988), the success of leadership development is influenced heavily by the quality of the programme, level of support and acceptance from superiors, and the characteristics/learning style of the person being developed. Some commentators differentiate between leadership development and leader development, the former being used when referring to development programmes focusing on collective leadership in an organization and the latter on individuals. Leadership development is a common process in succession planning, which aims to produce high-calibre leaders to take over senior positions when they become vacant. High-performers are typically identified for these leadership development programmes, which may be longer-term and broader than programmes focusing on tighter end-goals.

#### **LEADERSHIP CHALLENGES**

**1. Developing Managerial Effectiveness** is the challenge of developing the relevant skills — such as time-management, prioritization, strategic thinking, decision-making, and getting up to speed with the job — to be more effective at work.

**2. Inspiring others** is the challenge of inspiring or motivating others to ensure they are satisfied with their jobs and working smarter.

**3. Developing Employees** is the challenge of developing others, including mentoring and coaching.

**4. Leading a Team** is the challenge of team-building, team development, and team management. Specific challenges include how to instill pride in a team or support the team, how to lead a big team, and what to do when taking over a new team.

**5. Guiding Change** is the challenge of managing, mobilizing, understanding and leading change. Guiding change includes knowing how to mitigate consequences, overcome resistance to change, and deal with employees' reactions to change.

**6. Managing Internal Stakeholders and Politics** is the challenge of managing relationships, politics, and image. This challenge includes gaining managerial support and managing up and getting buy-in from other departments, groups or individuals.

#### **Advantages Leadership Development**

- \* Improved business growth.
- \* Improved bench strength.
- \* Improved employee retention.
- \* Improved bottom-line performance.
- \* Improved ability to attract talent
- \* Solving problems earlier and at lower levels.
- \* Increased organizational agility.
- \* Improved business sustainability.
- \* Greater market value over time.

#### **Disadvantages Leadership Development**

- \* Highly dependent on leader; problems if leader changes or is pursuing inappropriate vision.
- \* Time-consuming; relies on long-term relationship between specific leaders and members.
- \* Highly dependent on follower initiative and ability.

#### **FINDINGS:**

- \* Early preparation for leadership roles was seen as an important part of succession planning and talent management.
- \* Making use of technology through 'easy to find' information, forms and guidance was considered a better use of time than full day workshops.
- \* Development activities should be regularly available, publicized and coordinated with the Accountability and Development review cycle.
- \* Profession specific activities, such as those for Administrators or Research Leaders, should be very focused, practical and short in duration.
- \* Leadership needs to be recognized at all levels as a skill that requires continuous personal investment and organizational encouragement and support.
- \* Everyone in (or aspiring to) leadership roles should demonstrate their personal commitment to regular development and feedback activities.

#### **CONCLUSION:**

A well-designed leadership development program is the key to identifying, attracting, filling, and retaining corporate leadership. Leadership development is a critical aspect of attaining optimum output from organizational talent management and requires the effective execution of many talent management practices. Technology applications can provide the enabling platform, including recruitment, assessments, performance management, succession and career planning, and development programs. All organizations need strong leaders in order to be successful. Talent management practices implemented with robust technology applications can effectively identify and develop—from all levels of the workforce—the leaders who will best drive business performance.

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- [http://www.who.int/hiv/pub/imai/om\\_10\\_leadership\\_management](http://www.who.int/hiv/pub/imai/om_10_leadership_management)

## 14. THE RELATIONSHIP BETWEEN EMPLOYEE ENGAGEMENT AND HUMAN CAPITAL PERFORMANCE.

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### **ABSTRACT**

*The relationship between engagement and several key human resources (HR) metrics. This article enlightens the organizational activity which thrives on the strength of people power. People are the direct factors of productivity of its services and people are its sole consumers. The literature study was conducted to explore the extent of human resource management (HRM) practices usually practiced by five prominent organizations in India. The literature review were done in order to examine the issues involved in employee selection and recruitment, training and development, salaries and wages job analysis methods performance appraisal employee participation indicators to measure their levels of job satisfactions. With nationalization, banks ceased to be funding agencies only for industrial sector and became a vivacious instrument of social change more statistical data are available in support of the preposition that there is phenomenal. Being the human resources is considered as a source of sustainable competitive an advantage. The success of an organization depends upon several factors but the most crucial factor that affects the organization performance is ties employees.*

**KEYWORDS:** HRM Practices, Public and Private Organization, Employee Engagement

### **INTRODUCTION**

Advancing the analysis and application of human resources (HR) data across the healthcare system is one of the key priorities identified in the Ontario Hospital Association's (OHA) Provincial Health human Resources Work Plan 2011-2013. Better HR data collection and analysis allows organizations to determine their priorities for improvement and investment and to conduct strategic planning. To meet this objective, the OHA engaged in a research project with three pilot hospitals examining the linkages between employee engagement and key organizational metrics. For each of the pilot hospitals, the departmental results of the OHA-NRC Picker Employee Experience Survey were analyzed against key HR metrics (sick leave, retention, and management span of control) from the PricewaterhouseCoopers (PwC) Saratoga HR Benchmarking Survey results – also at the department level – to better understand the impact of engagement on human capital performance. The following report is written by Dr. Graham Lowe, a workplace consultant who has advised the OHA on its Employee and Physical Experience Surveys and Quality Healthcare Workplace Awards. The OHA provided data collection and analysis support as well as significant input into the development of the report. The report outlines the findings of this exploratory look at the relationships between employee engagement and key organizational metrics. With a methodology for accurately comparing Employee Experience Survey engagement data with human capital metrics from hospital administrative data, we have been able to identify three human capital metrics that appear to be related to employee engagement levels at the department level. We also uncovered a number of technical issues that, in future, hospitals can take into account when collecting and comparing Employee Experience Survey and HR data.

## OBJECTIVES

This report examines the relationship between employee engagement and several key human capitals Metrics. It is the OHA's first attempt to systematically link data from two of its major human resource initiatives: the OHA-NRC Picker Employee Experience Survey (EES) and the PwC Saratoga HR Benchmarking (HRB) project. Each data source previously has been used independently to compare engagement levels and human capital performance across hospitals. This project is more ambitious, combining these two data sources and focusing on departments within hospitals as the unit of analysis.

The project had four objectives:

1. Develop a methodology for accurately comparing EES data with human capital metrics from Administrative data.
2. Identify and address technical issues related to departmental-level comparisons within Hospitals.
3. Determine which human capital performance metrics are most related to employee Engagement.
4. Offer recommendations for future actions that will help OHA members make better use of combined EES data and HR metrics for purposes of performance improvement.

Three hospitals participated in the project: Hospital A, Hospital B, and Hospital C.

### **Engagement - Human Capital Performance Report**

Represent three different OHA peer groups: small hospitals, teaching hospitals, and community represent three different OHA peer groups: small hospitals, teaching hospitals, and community hospitals. At the centre of the model is employee (and physician) engagement. The focus of the OHA's employee engagement and human capital performance project centered on the relationship between employee engagement levels and several organizational outcomes related to human capital performance, as measured by administrative data. This research also follows the Healthcare Quarterly article, "How Employee Engagement Matters for Hospital Performance".

### **DEFINING ENGAGEMENT**

While job satisfaction has long been a commonly used measure of employees' quality of work life, Engagement is a broader gauge of employees' overall work experience. A high level of engagement is a Strategic goal for a growing number of organizations in many industries, including healthcare. Engaged employees are committed to their employer, satisfied with their work, and willing to give extra effort to achieve the organization's goals. Evidence suggests that engagement influences other major human resource goals, such as retention, job performance, absenteeism, and (indirectly through the employer's reputation) recruitment.

A recent synthesis of approaches to measuring employee engagement identified three dimensions of engagement: emotional, rational, and behavioural. Standard social science practices were followed to ensure validity and reliability in constructing the EES engagement scale. Statistical analysis (correlations, factor analysis, and internal reliability testing).

**Emotional:** – I am proud to tell others I am part of organization. – I find that my values and the organization's values are similar.

**Rational:** Satisfied with (my) job overall Rating of organization as a place to work

**Behavioural:** – Look forward to going to work – this organization really inspires the best in me in the way of job performance.

This scale provides a validated and comprehensive measure of employee engagement, captured in a single metric. Individual engagement scale scores can be grouped into low, medium and high categories based on the distribution of scale scores.

### **Linking Engagement and Key Outcomes:**

The High Engagement group consists of individuals who responded 4 or 5 on the 5-point items and 3 or 4 on the 4-point item (their score was 23 or higher out of 29). The Medium Engagement group had scale scores between 19 and 22 (note that the scale mean is 20.3 and the median is 21, both falling within this group). The Low Engagement group scored 18 or lower. The OHA Quality Healthcare Workplace Model suggests that the more engaged employees feel, the better able they are to achieve personal wellbeing and organizational goals. This section briefly explores these relationships in the OHA model, providing confirmation that this indeed is the case. We will focus on the following three areas because of their central importance to all healthcare organizations:

- Work stress
- Injuries or illness resulting from patient handling or contact
- Retention

While the results presented in this section show a consistently strong relationship between employee engagement, on one hand, and quality of work life and organizational performance, on the other hand, we should be careful not to infer causation. Further modeling with the EES data is required to test the direction of causation in these relationships. For now, we can conclude that engagement levels are positively related to a range of mission-critical individual and organizational outcomes in the 16 hospitals being studied (which includes Hospital A, Hospital B, and Hospital).

#### **Work stress**

We focus on two individual outcomes that measure different aspects of quality of work life. The first is self-reported work stress, using a measure adapted from Statistics Canada's Canadian Community Health Survey. Respondents were asked: "In the past 12 months, would you say that most days at work were...not at all stressful, somewhat stressful, quite stressful, or extremely stressful.

Indeed, more than 6 out of 10 low-engagement employees experience most workdays as quite or extremely stressful. These data sets do not reveal how engagement may contribute to stress. However, given the considerable costs that stress can impose on employers in the form of increased absenteeism and presenters, experts in the field could further probe such a relationship.

#### **Injuries and illness**

An equally important concern for both employees and employers is the prevention of injuries and illnesses that may result from caring for patients. Figure 3 selects one indicator from the EES – having been injured or felt unwell as a result of moving or handling patients in the past 12 months – to see if basic safety and health outcomes are in any way related to engagement. Examining this involved a look only at EES respondents who have frequent direct interaction or contact with patients, because this group of employees is the most exposed to health and safety risks associated with patient care.

#### **Retention**

Regarding organizational outcomes, we focus on one of the major human resource goals of any Healthcare organization: to retain competent staff (for a more detailed analysis of how engagement is related to a wider range of organizational outcomes, see the author's recent Healthcare Quarterly article<sup>8</sup>). Turnover is costly. It is widely assumed that more engaged employees – who are more satisfied with their jobs and the organization – will stay and continue contributing. As Figure 4 shows, this is certainly the case among the healthcare employees who responded to the EES. Indeed, there are striking differences in intentions to look for a new job between the low and high engagement groups. While close to half of disengaged employees will be job-hunting in the next 12 months, only 1 in 10 of those who are highly engaged will be looking for a new job with a different employer. In other words,



90% of highly engaged employees plan to stay with the organization, at least for the near future.

### **Department-level variations in engagement, retention and job stress**

Is there evidence of department-level variations in engagement, retention and job stress? To answer this question, we conducted more in-depth analysis using EES data from Hospital A, Hospital B, and Hospital C. Looking first at Hospital C, three of the four departments with the lowest engagement scores also have between 40% and 51% of their employees planning to look for another job in the next 12 months. All of the departments in which 75% or more of respondents plan to stay with Hospital C have average or above-average numbers in the high-engagement group. There also is a relationship between engagement and self-reported work stress. For example, three departments with high engagement scores have low work stress levels. And two of the lowest-scoring engagement departments have high. There are some interesting exceptions to note. For example, at Hospital B, one department has only slightly above-average employee engagement, yet survey respondents from that department are among the most likely to be planning to stay with the hospital – perhaps a function of the local labour market for that area of work. Another department at Hospital B has a below-average engagement score, yet is well above-average in terms of intention to remain with the hospital and has low job stress. Clearly, there likely are unique dynamics influencing these findings.

### **Factors affecting the comparability of survey and administrative data**

An employee survey provides a single data source that is ideally suited to examining the relationship between engagement and HR-relevant outcomes. That is because the same people who answered the engagement questions also answered questions about stress and retention, so we are able to compare their responses on all these indicators. However, when different data sources are combined at the department level, the analysis becomes more complicated. Four technical issues are relevant to consider: survey response rates; accuracy of administrative data; small departments; and the impact of extraneous factors.

#### **Survey response rates**

Survey response rates affect the representativeness of the survey findings. Lower response rates to the survey introduce greater potential for non-response bias. Low response rates result in inaccurate comparisons with HR (administrative) databases, which typically include all employees. So the accuracy of the comparisons suffers. If the survey response rate is low, it is possible that HR metrics such as turnover, absenteeism, or overtime could include only or mostly employees who did not respond to the EES. In some departments, this is the majority of employees. Also possible is that the most engaged employees are disproportionately represented among survey respondents.

#### **Accuracy of administrative data**

A further consideration is the accuracy of the HR metrics. While testing the quality of the HR administrative data collected by hospitals is beyond the scope of this project, it is possible that errors or inconsistencies in data coding, data entry, or other features of the HRIS being used could impact the quality of the HR metrics overall. That said, that is a standard concern and potential problem with any administrative data.

#### **Small departments**

Small departments may not have sufficient numbers of survey responses to report engagement scores. Furthermore, the frequency of some of the HR metrics decreases with department size. This makes it difficult to statistically measure the relationship between infrequent events, such as turnover, and engagement. It also is difficult to discern statistical patterns if a number of departments have few or no incidents recorded, such as turnover. To address this issue for Hospital C we reduced the number of departments from 33 to 16. This was accomplished by combining some smaller departments, which from an HR perspective

may be quite different. Each of the combined departments has a minimum of 30 EES respondents, 20 of whom are full-time employees. So while this aggregation is necessary for data analysis, it may confound results by combining units with quite different employee experiences and HR

### **Focusing on Full-time employees**

In light of the above findings, we narrowed the focus to only full-time employees, using two of the HR metrics: average sick days for full-time employees and the resignation rate for full-time employees. The findings regarding sick days, above, confirmed its importance as an engagement-related HR outcome. And while high and low engagement departments differ in their voluntary turnover rates, we determined that focusing on full-time employees would offer a more accurate assessment of the relationship between engagement and resignations and sick days. The unexpected finding related to management span of control also was included in this next step of the analysis. However, it is important to emphasize that span of control is a possible influence on engagement levels within departments, rather than an "outcome."

### **CONCLUSION**

This project is an exploratory look at the relationships between employee engagement and key organizational metrics. It has been a learning experience for all involved. We have succeeded in developing a methodology for accurately comparing EES engagement data with human capital metrics from hospital administrative data. We also have been able to identify three human capital metrics – the full-time employee resignation rate, average sick days per full-time employee, and management span of control – which appear to be related to employee engagement levels at the department level. This research will provide HR leaders with support to build the case for making investments in employee engagement.

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## 15. IMPACT OF DEMONETIZATION ON INDIAN IPOs LISTED UNDER NSE

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### ABSTRACT

*A company may issue its shares, to the public, through the primary market, for increasing their capital. But the investors and issuing companies are governed by various factors like social, political, economic, etc. In November 2016, our central government demonetised high value currency, for the main reason of flushing out the black money. During this period, various companies and individuals of our country faced severe hardship. Hence the present study, aims to test the impact of demonetization, on Indian Initial Public Offering (IPO). Five companies were selected as a sample, which issued their shares through IPO, in the NSE, after the demonetization announcement. The result of the paper analysis of the impact of demonetisation, could give a clear pathway, to investor investment decision making, on IPOs.*

**KEYWORDS:** IPO, Demonetization, NSE.

### INTRODUCTION

Demonetization is the withdrawal of currency from common usage, or flow. Demonetization is not a new story for India. In the year 1946 and 1978, the Government announced demonetization; this kind of step was taken by the Indian Government. Now for the third time, in November 2016, demonetization was announced. The Government claimed that the demonetization was an attempt, to bring to an end the current bank notes, supply of supporting terrorism, as well as to flush out black money in the country.

After the declaration of demonetization, country was paralysed because of cash shortage. The money shortage affected every business like agriculture, real estate, transportation, stock exchange. Due to demonetization 30 shares of Bombay Stock Exchange (BSE) lost 233.6 points, to close down at 25,807.1 points. In the broader Nifty index of the National Stock Exchange (NSE), 50 shares lost 77.50 points and close at 7,908.25 points, a seven month low.

### REVIEW OF LITERATURE

Using the event study methodology, **Swati Chauhan and Nikhil Kasuhik (2017)** analysed the stock market return, during the pre and post period of Demonetization and found that there was no significant impact of demonetisation on the stock market and also found that short period downfall in the stock prices, can be attributed to some other factors. **Sachin Abda (2017)**, maintained that apart from positive benefits it created some inconvenience to poor sections of the society and in the short run, there was far reaching impact on the economy. **Sumit Goyal and Inderpal Singh (2014)**, in their paper entitled, “**A Study on the Performance of IPO's: An Indian Perspective**”, investigated the sector wise performance and various determinants which affected the performance of underpriced of IPOs, in the Indian market. The data were collected from 271 IPOs, listed on the National Stock Exchange (NSE), during the period of 1999 to 2012. Multiple Regressions was used, to determine the effects of the determinants on IPO and correlation and Buy and Hold Abnormal Return (BHAR) analysis were also used in this article. The study found that 79.33 % of the IPOs

issued were underpriced on the day of listing. IPOs of technology, power, steel, real estate sectors, were underpriced heavily, on the day of listing. **Prashant Kumar and Mukesh Kumar (2015)**, in their article entitled, **"Study of Underpricing and Pricing Mechanisms used in IPOs, in BSE"**, tested the underpricing and overpricing of IPOs and also which pricing mechanisms they were underpriced or overpriced. Data collected from 139 IPO listed firms in BSE, during the period from April 2010 to March 2015, by using T-test. The study found that many IPOs, underpriced as well as overpriced, were issued, using the book building mode. The study entitled, **"Demonetization and its Impacts in India"**, by **Sandeep Kaur (2016)**, found that demonetization could be negative for sectors like consumer durables, luxury items, gems and jewellery, real estate and allied sectors, in the near to medium term. Demonetization move can lead to improved tax compliance, better fiscal balance, lower inflation, complete elimination of black money and another stepping stone for sustained economic growth in the longer term. **Chellasamy and Anu (2017)** stated that there was wide spread, negative returns, across sectors after demonetisation, which reflected the immediate negative sentiments attached with the overall economic activity. Public sector banking segment, Pharma, Energy and IT has recorded a rise in return. **Lokesh Uke (2017)**, reported that citizens of India faced so many problem due to the demonetization drive. They faced queue problems in the banks and ATMs, for depositing and withdrawing money. It is believed that positive impact of demonetization will show in future. The study entitled, **"Demonetization Impact on Underpricing: An Empirical Study Based on NSE"**, by **Vinod Kumar (2017)**, investigated the level of underpricing or overpricing of IPO in India, after demonetization, during the period of 9 December 2016 to 30 June 2017. The study found that the Indian IPO market remained underpriced during the study period.

#### **STATEMENT OF THE PROBLEM**

Demonetization generated immediate impact, on every business of the India. Stock market crashed after the announcement of demonetization. IPO stocks also were affected, after the announcement of demonetization. The investors were mainly affected by the demonetization because investors could not predict the demonetization steps and therefore they could not employ any technique to save their investment on IPO. Not only stock market but also middle level people also suffered from the demonetization step, taken by the Indian Government.

#### **NEED OF THE STUDY**

The study proposes to create aware of the demonetization effect on stock market. The study is important from the point of view investors, to understand the positive or negative impact of demonetization on Indian IPOs. This study explains how these IPOs performed after the demonetization announcement in India. The study proposes to know how IPO investors faced the investment problem, after the demonetization.

#### **OBJECTIVES**

1. To study the impact of demonetization on Indian IPOs.
2. To test the normality and stationarity, in the daily returns of IPO listed NSE companies, after the demonetization announcement.
3. To analyze the volatility pattern of the daily returns of IPO listed of NSE companies after the demonetization announcement.

#### **HYPOTHESES:**

- \* There is no normality and stationarity, in the daily returns of IPO listed NSE companies, after the demonetization announcement.
- \* There is no volatility, in the daily returns of IPO listed of NSE companies, after the demonetization announcement..

#### **Source of Data**

The paper was based on secondary data. There were five IPO companies, issued through National Stock Exchange (NSE), after the demonetization announcement in India and these

five companies were considered as sample, for evaluation purpose, during the period 2016 to 2017. The list of sample companies is displayed in the Table – 1.

<b>Table – 1 show the samples of NSE listed IPOs firms during the period 2016-2017.</b>			
<b>S.No</b>	<b>Listing Date</b>	<b>Firms</b>	<b>Symbol</b>
1	29.11.2016	Sheela Foam Limited	SFL
2	06.12.2016	Laurus Labs Limited	LAURUSLABS
3	23.01.2017	BSE Limited	BSE
4	06.03.2017	Music Broadcast Limited	RADIOCITY
5	08.03.2017	Avenue Supermarts Limited	DMART

Source: [www.nseindia.com](http://www.nseindia.com)

#### Techniques adopted

1. Descriptive Statistic
2. Augmented Dickey Fuller Test (ADF)
3. GARCH (1,1)

#### ANALYSIS AND INTERPRETATION

The **Table-2** presents the descriptive statistic results, for NSE listed IPOs after the announcement of demonetization during the period 2016-2017. The Mean values of the sample firm, DMART (-0.9967), recorded high returns, compared to other sample companies- SLF, LAURRULABS, RADIOCITY and BSE. The analysis of standard deviation shows that DMART (0.0229) recorded high risk during the study period, followed by other sample IPO firms. The analysis of skewness showed that the returns of all sample IPO firms were positive. The kurtosis values of all sample IPOs were greater than three, which made it leptokurtic. The Jarque-Bera values indicated that all sample IPO firms were normally distributed.

<b>Table- 2 shows the results of Descriptive statistic for IPO listed firms under NSE.</b>					
	<b>BSE</b>	<b>DMART</b>	<b>LAURRULABS</b>	<b>RADIOCITY</b>	<b>SLF</b>
<b>Mean</b>	-1.0005	-0.9967	-0.9995	-1.0000	-0.9978
<b>Std. Dev.</b>	0.0133	0.0229	0.0172	0.0137	0.0195
<b>Skewness</b>	1.0398	1.1011	1.2656	0.7111	0.9865
<b>Kurtosis</b>	6.9859	7.3443	9.2372	5.3871	6.6792
<b>Jarque-Bera</b>	165.072	165.077	432.341	54.0512	170.665
<b>Probability</b>	0	0	0	0	0

Source: Computed from Eviews

<b>Table- 3 shows the results of ADF test for IPO listed firms under NSE.</b>					
	<b>LAURUSLABS</b>	<b>SFL</b>	<b>BSE</b>	<b>RADIOCITY</b>	<b>DMART</b>
	<b>t-Statistic</b>				
<b>Augmented Dickey-Fuller test statistic</b>	-13.38984	-16.52567	-13.24674	-14.09017	-11.81497
<b>Test critical values</b>					
<b>1% level</b>	-3.458973	-3.458225	-3.463924	-3.469691	-3.469933
<b>5% level</b>	-2.874029	-2.873701	-2.876200	-2.878723	-2.878829
<b>10% level</b>	-2.573502	-2.573327	-2.574663	-2.576010	-2.576067
<b>Prob.*</b>	0.0000				

Source: Computed from Eviews

**Table 3** records the results of Augmented Dickey Fuller (ADF) test, for identifying the stationarity of selected IPOs listed firms in the NSE, after the demonetization announcement, during the period of 2016 to 2017. The results revealed that after the demonetization announcement, the statistical values were greater than the test critical values, at significant levels of 1%, 5% and 10%. In other words the result indicated that all samples were stationary.

<b>Table- 4 Shows the results of GARCH analysis for IPO listed firms under NSE.</b>					
<b>Samples</b>	<b>Variable</b>	<b>Coefficient</b>	<b>Std. Error</b>	<b>z-Statistic</b>	<b>Prob.</b>
<b>LAURUSLABS</b>	<b>C</b>	-1.000250	0.000982	-1018.477	0.0000
	<b>Variance Equation</b>				
	<b>C</b>	0.000184	3.15E-05	5.850681	0.0000
	<b>ARCH</b>	0.335349	0.087117	3.849421	0.0001
	<b>GARCH</b>	0.014686	0.132108	0.111167	0.9115
<b>SFL</b>	<b>C</b>	-0.998474	0.001321	-755.5687	0.0000
	<b>Variance Equation</b>				
	<b>C</b>	0.000427	0.000120	3.574895	0.0004
	<b>ARCH</b>	0.146887	0.061536	2.387021	0.0170
	<b>GARCH</b>	-0.265211	0.308389	-0.859989	0.3898
<b>BSE</b>	<b>C</b>	-1.000357	0.000610	-1640.215	0.0000
	<b>Variance Equation</b>				
	<b>C</b>	5.48E-05	1.16E-05	4.709308	0.0000
	<b>ARCH</b>	0.706208	0.145287	4.860785	0.0000
	<b>GARCH</b>	0.126457	0.095771	1.320408	0.1867
<b>RADIOCITY</b>	<b>C</b>	-0.999943	0.001121	-891.9484	0.0000
	<b>Variance Equation</b>				
	<b>C</b>	0.000251	9.43E-05	2.667168	0.0076
	<b>ARCH</b>	0.091954	0.122526	0.750484	0.4530
	<b>GARCH</b>	-0.426639	0.475165	-0.897874	0.3693
<b>DMART</b>	<b>C</b>	-0.997121	0.001627	-612.8686	0.0000
	<b>Variance Equation</b>				
	<b>C</b>	0.000215	8.13E-05	2.643408	0.0082
	<b>ARCH</b>	0.349738	0.079947	4.374597	0.0000
	<b>GARCH</b>	0.291892	0.165246	1.766402	0.0773

**Source:** Computed from Eviews

The results of GARCH (1, 1) Model, for IPO listed firms of NSE, are presented in the **Table – 4**. The sum of ARCH and GARCH values, for all the IPO listed firms, namely, LAURUSLABS (0.350035), SFL (-0.118324), BSE (0.832665), RADIOCITY (-0.334685) and DMART (0.64163), were less than one and compared to other firms, the BSE values were close to one. It is to be noted that there was low volatility in IPO listed companies, except BSE, during the study period. These results indicated that BSE employed highly volatile IPOs, compared to other firms in IPO.

## CONCLUSION

On November 8 2016, a surprise announcement was made by the Indian Government that the existing higher denomination currency 500 and 1000, would no longer be legal tender. After the announcement, people and small to high level sectors, felt the impact of demonetization. Therefore, the paper investigated the impact of demonetization on Indian IPOs listed under NSE, during the period 2016-2017. The study found that during the period

of demonetization, DMART and BSE limited employed highly volatile IPOs, while comparing with other firms in IPOs. Based on the analysis, it is clear that there was demonetization impact on NSE listed IPO firms. Therefore, the investors should defer their investment because the capital market is unstable and unpredictable. Some firms' performance was positive in the period of demonetization and investors may find possible investment opportunities, to get moderate returns.

#### **LIMITATIONS OF THE STUDY**

1. This study was limited to a period of (2016-2017) one year.
2. The study covered only NSE listed IPOs.

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## 16. AN EMPIRICAL STUDY ON CUSTOMER'S MEDICAL EXPENSES AND SOURCE OF AWARENESS ABOUT HEALTH INSURANCE

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### ABSTRACT

*Health insurance could play a vital role in improving the health status, in a country. This study tries to assess the association between socio economic and demographic factors and their source of awareness. For this purpose, a sample survey was conducted, taking 120 sample respondents, from 12 Corporations of Tamil Nadu. Frequency Distribution and Chi-Square were used it was found that gender and number of dependents of the family did not have any association with sources of awareness. Marital status, educational qualification, employment level of the respondents were associated with average monthly medical expenditure and sources of awareness about health insurance.*

**KEYWORDS:** Health Insurance, Socio-Economic, Policy holders, Sources of Awareness.

### INTRODUCTION

Health insurance, in a narrow sense, would be an individual or group, purchasing health care coverage, in advance, by paying a fee called premium. In its broader sense, it would be any arrangement, that helps to defer, delay, reduce or altogether avoid payment for health care, incurred by individuals and households. A health insurance policy is a contract between an insurer and an insured person. The contract is renewable per annum. The existing schemes can be categorized as:-

- \* Voluntary health insurance schemes or private schemes for profit
- \* Employer based schemes
- \* Insurance offered by NGOs/Community based health insurance
- \* Mandatory health insurance schemes or government run schemes (namely ESIS, CGHS)

The year 1999 marked the beginning of a new era, for health insurance, in the Indian context. With the passing of the Insurance Regulatory Development Authority Bill (IRDA), the insurance sector was opened to private and foreign participation, thereby paving the way for the entry of private health insurance companies. The Bill also facilitated the establishment of an authority, to protect the interests of the insurance holders, by regulating, promoting and ensuring orderly growth of the insurance industry. The bill allows foreign promoters to hold paid up capital of up to 26 percent in an Indian company and requires them to have a capital of Rs 100 crore, along with a business plan, to begin its operations. In today's competitive insurance environment, sources of awareness and average monthly medical expenditure of each person, play a vital role in formulating advertisement campaigns and taking good care of health and controlling the risk factor, reducing health care expenditure as well.

### REVIEW OF LITERATURE

Heeju Sohn(2015) examined the relationship between health insurance and divorce. The study explained health insurance as a potential gain to a marriage. By using Cox's proportional, hazard model by using STAT, it was found that people, who had insured through their spouses health plans, recorded lower rates of divorce.



Seth Christopher Yaw Appiah (2015) examined the relationship between client's socio-economic features as well as their perceived quality on health care utilization. By using descriptive and inferential statistics, supported by STATA, it was found that client's perception and socio demographic characteristics did have positive relationship with health service utilization.

Hubert Amu and Kwamena Sekyi Dickson(2016) examined the effect of socio-demographics on health insurance subscription, among women, in Ghana. By using bivariate descriptive analysis and binary logistic regression, it was found that wealth status, age, religion, birth parity marriage and ecological zone were found to have significantly predicted health insurance subscription, among women, in reproductive age in Ghana.

Ramamoorthy et.al(2014) assessed the perception of the health insurance product regarding the impact of pricing policy on the purchase decision of the prospective policy holders. By using regression analysis, the study found that pricing did have impact on purchase decision of health insurance.

Gloria .A. Fofie(2016) explored social, economic and demographic factors, which influenced the patronage of insurance in Ghana. By using Probit econometric regression model, the result indicated that socio, economic and demographic determinants were positively and significantly related to insurance demand, except that of religion.

Laura Nolke(2015) examined the impact of socio-economic status on health information seeking on the internet. Multiple logistic regression analysis was used and it was found that higher social class was a positive predictor of health information seeking behaviour. Upper and middle social classes were more likely to be online health information seekers than lower social class background.

P.S. Shabi Shimny and M.Babu (2017) examined the problems faced by the policy holders in Tiruchirappalli District. Chi-Square, ANOVA and Factor Analysis were used and it was found that delay in policy settlement, excessive documentation, non-responsiveness on the part of the company, were the major problems faced by the sample company.

## **RESEARCH DESIGN**

### **Statement of the Problem**

Indian population is ever increasing and it has increased the demand for proper and affordable health care reforms in the country. As the cost of better and efficient health care facility is increasing day by day, health care expenditure sky rocket. There arises the need for proper healthcare financing. This creates the need and scope for health insurance, at various levels, in the society. But insurance policies are not in proportion to the population. In this context, it becomes necessary to understand the association between socio demographic factors of the respondents and average medical expenditure of the policy holders and their sources of awareness about health insurance.

### **NEED FOR THE STUDY**

This type of study helps the insurer to know about the awareness level of the people. Similarly, helps the insured to reduce their out of pocket expenses and ensure a healthy family. Insurance companies, brokers, agents may know the major source of awareness about health insurance and it will help the regulatory authority, to undertake necessary steps, for policy formulation and their campaigning.

### **OBJECTIVES**

To study the Socio economic profile of the respondents

To examine the association between socio economic factors and their average monthly medical expenditure.

To assess the association between socio economic factors and sources of awareness of the policy holders towards health insurance.

## HYPOTHESES

H01: There is no significant association between gender and monthly medical expenditure of the health insurance policy holders

H02: There is no significant association between marital status and average monthly medical expenses of the family

H03: There is no significant association between marital status and source of awareness about health policy

H04: "There is no significant association between educational qualification and average monthly medical expenditure"

H05: There is no significant association between employment and average monthly medical expenditure

H06: There is no significant association between number of dependent family members and average monthly medical expenditure.

## METHODOLOGY

The study is mainly based on primary data. Primary data were collected from various health insurance policy holders in Tamilnadu. By using simple random sampling method, 150 respondents were selected as the sample.

Table 1 explains the results of frequency distribution and the sources of awareness about health policy, as reported by the respondents. It is clear from the table that insurance agents play an inevitable role in subscribing to health policy. Majority consisted of government employees. Educated persons were more active in taking health insurance. Married persons were more interested in taking health insurance than unmarried individuals, which might be due to their needs. It is clear that middle aged groups largely subscribed to the health insurance policy.

**Table-1 Frequency Distribution Analysis**

SI.No	Profile	Attributes	Frequency	Percentage
1	<b>Age</b>	18 - 30 Years	105	23.3
		31 - 40 Years	158	35.0
		41 - 50 years	97	21.5
		51 - 60 years	71	15.7
		Above 60 years	20	4.4
2	<b>Gender</b>	Male	274	60.8
		Female	177	39.2
3	<b>Marital Status</b>	Single	93	20.6
		Married	352	78.0
		Divorced	6	1.3
4	<b>Educational Qualification</b>	Schooling	37	8.2
		Diploma	89	19.7
		Graduation	159	35.3
		Post Graduation	109	24.2
		Professional Degree	54	12.0
		Others (specify)	3	.7
5	<b>Employment</b>	Agriculture	13	2.9
		Self Employed/Business	102	22.6
		Professionals	47	10.4
		Private Organization employed	102	22.6
		Government Employee	152	33.7
		Retired	25	5.5

		Others(specify)	10	2.2
6	<b>Type of Policy</b>	Individual	187	41.5
		Family floater	264	58.5
7	<b>Area of Residence</b>	Urban	371	82.3
		Rural	80	17.7
8	<b>Number of dependent family members</b>	One	37	8.2
		Two	159	35.3
		Three	133	29.5
		Four and Above	110	24.4
		None	12	2.7
9	<b>Monthly Income</b>	Below 10000	39	8.6
		10001-25000	169	37.5
		25001-50000	165	36.6
		50001-75000	58	12.9
		above 75000	20	4.4
10.	<b>Average Monthly Medical Expenses</b>	Nil	50	11.1
		Up to Rs.500	99	22.0
		Rs.501-1000	119	26.4
		1001-2000	80	17.7
		above Rs.2000	103	22.8

Source: Primary Data

**Table- 2 Results of Association between Gender of the respondents and their source of awareness towards Health Insurance**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	14.537a	8	0.069
Likelihood Ratio	14.484	8	0.07
Linear-by-Linear Association	5.083	1	0.024
N of Valid Cases	451		

a 4 cells (22.2%) have expected count less than 5. The minimum expected count is 2.75.

Source: Primary Data

**Table – 2** explains the results of Chi-Square Analysis, which was used to find the association between gender and source of awareness about health insurance policy. It tested whether a statistically significant association existed between gender and a source of awareness of Health Insurance. Here, chi-square analysis was used to find the association. Further, the 'P' value was found to be statistically insignificant (0.069). Hence H02: "There is no significant association between gender and the source of awareness of the policy holders towards health insurance," was accepted.

**Table – 3Results of Association between Marital Status of the respondents and their Average Monthly Medical Expenses of the family**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	66.484	8	0
Likelihood Ratio	53.918	8	0
Linear-by-Linear Association	16.141	1	0
N of Valid Cases	451		

a 5 cells (33.3%) have expected count less than 5. The inimum expected count is .67.

Source: Primary Data

**Table – 3**explains the results of Chi-Square Analysis, which was used to find the association between marital status of the respondents and average monthly medical expenditure . The

Chi-Square statistic value was found to be 66.484. Further the 'P' value was found to be statistically significant. H03: "There is no significant association between marital status and average monthly medical expenses of the family", was rejected. In other words, married people did incur a monthly medical expenditure of Rs.501-1000.

**Table – 4 Results of Association between Educational Qualification of the respondents and their average monthly medical expenditure**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	37.266 <sup>a</sup>	20	0.011
Likelihood Ratio	39.639	20	0.006
Linear-by-Linear Association	7.212	1	0.007
N of Valid Cases	451		
a 6 cells (20.0%) have expected count less than 5. The minimum expected count is .33.			

**Source: Primary Data**

The **Table 4** depicts the association between educational qualification of the respondents and the average monthly medical expenses. The Pearson Chi-Square value was found to be 37.266 and 'P' value was found to be statistically significant, at 5% level. Hence H04: "There is no significant association between educational qualification and average monthly medical expenditure", was rejected. There was association between educational qualification of the respondent and their average monthly medical expenditure.

**Table – 5 Results of Association between Employment of the respondents and their Average Monthly medical expenses of the family**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	73.208 <sup>a</sup>	24	0.001
Likelihood Ratio	78.813	24	.000
Linear-by-Linear Association	5.932	1	.015
N of Valid Cases	451		
a 12 cells (34.3%) have expected count less than 5. The minimum expected count is 1.11.			

**Source: Primary Data**

**Table – 5** explains the results of Chi-Square Analysis, which was used to find the association between employment of the respondents and average monthly medical expenditure.. Chi-Square statistics values were found to be 73.208. Further, the 'P' value was found to be less than 0.05, which was statistically significant. Hence H05: "There is no significant association between Employment of the respondents and average monthly medical expenditure." was rejected. In other words, average monthly medical expenditure was associated with employment of the respondents.

**Table – 6 Results of Association between Employment of the respondents and their Sources of Awareness**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	138.488 <sup>a</sup>	48	0
Likelihood Ratio	113.659	48	0
Linear-by-Linear Association	0.102	1	0.75
N of Valid Cases	451		
a 44 cells (69.8%) have expected count less than 5. The minimum expected count is .16.			

**Source: Primary Data**

**Table 6** depicts the association between employment of the respondents and the sources of awareness. The result shows that the asymptotic significance of Pearson Chi-Square was

found to be lower than 0.05, which indicated that the results were statistically significant. Hence H06: "There is no significant association between Employment of the respondents and source of awareness about health policy", was rejected. There were an association between employment of the respondents and their sources of awareness.

**Table – 7 Results of Association between Number of dependent family members of the respondents and their Sources of Awareness**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	34.367a	32	0.355
Likelihood Ratio	33.406	32	0.399
Linear-by-Linear Association	0.003	1	0.957
N of Valid Cases	451		
a 26 cells (57.8%) have expected count less than 5. The minimum expected count is .19.			

**Table -7** depicts the association between number of dependent family members of the respondents and their sources of awareness. The Pearson Chi Square value was found to be 34.367 and 'P' value was found to be statistically insignificant, at 5% level. H7: "There is no significant association between number of dependent family members and their Sources of Awareness", was accepted. It indicated that there was no association between number of dependent family members and sources of awareness.

### CONCLUSION

From our study and survey, it is concluded that gender is not connected to average monthly medical expenditure and sources of awareness about health insurance. Marital status, educational qualification, employment level of the respondents, did have association with average monthly medical expenditure and sources of awareness about health insurance. But number of dependent family members did have association with average medical expenditure but not associated with sources of awareness of health insurance. Hence dependent family members, both male and female, did not have any association with sources of their awareness level about health insurance.

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## 17. SALES PROMOTION: A STUDY ON CUSTOMER BEHAVIOUR TOWARDS VODAFONE MOBILE SERVICES AT NATHAMTALUK IN DINDUGUL DISTRICT

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### **ABSTRACT**

*According to "Robert Louis Stevenson" "Everyone lives by selling something." Businesses monitor customer satisfaction in order to determine how to increase their customer base, customer loyalty, revenue, profits, market share and survival. Although greater profit is the primary driver, exemplary businesses focus on the customer and his/her experience with the organization. Customer satisfaction in turn hinges on the quality and effects of their experiences and the goods or services they receive. Satisfaction also is based on the customer's experience of both contact with the organization (the "moment of truth" as it is called in business literature) and personal outcomes. Some researchers define a satisfied customer within the private sector as "one who receives significant added value" to his/her bottom line—a definition that may apply just as well to public services. Customer satisfaction differs depending on the situation and the product or service.*

*A customer may be satisfied with a product or service, an experience, a purchase decision, a salesperson, store, service provider, or an attribute or any of these. Some researchers completely avoid "satisfaction" as a measurement objective because it is "too fuzzy an idea to serve as a meaningful benchmark."<sup>4</sup> Instead, they focus on the customer's entire experience with an organization or service contact and the detailed assessment of that experience.*

### **INTRODUCTION**

According to "Robert Louis Stevenson" "Everyone lives by selling something." Businesses monitor customer satisfaction in order to determine how to increase their customer base, customer loyalty, revenue, profits, market share and survival. Although greater profit is the primary driver, exemplary businesses focus on the customer and his/her experience with the organization.

They work to make their customers happy and see customer satisfaction as the key to survival and profit. Customer satisfaction in turn hinges on the quality and effects of their experiences and the goods or services they receive.

#### **Customer Satisfaction**

The definition of customer satisfaction has been widely debated as organizations increasingly attempt to measure it. Customer satisfaction can be experienced in a variety of situations and connected to both goods and services. It is a highly personal assessment that is greatly affected by customer expectations.

Satisfaction also is based on the customer's experience of both contact with the organization (the "moment of truth" as it is called in business literature) and personal outcomes. Some researchers define a satisfied customer within the private sector as "one who receives significant added value" to his/her bottom line—a definition that may apply just as well to public services. Customer satisfaction differs depending on the situation and the product or service.

A customer may be satisfied with a product or service, an experience, a purchase decision, a salesperson, store, service provider, or an attribute or any of these. Some researchers completely avoid "satisfaction" as a measurement objective because it is "too fuzzy an idea to serve as a meaningful benchmark."<sup>4</sup> Instead, they focus on the customer's entire experience with an organization or service contact and the detailed assessment of that experience.

For example, reporting methods developed for health care patient surveys often ask customers to rate their providers and experiences in response to detailed questions such as, "How well did your physicians keep you informed?" These surveys provide "actionable" data that reveal obvious steps for improvement. Customer satisfaction is a highly personal assessment that is greatly influenced by individual expectations

### **OBJECTIVES OF STUDY**

The setting of objective is the corner stone of a systematic study. The study will be fruitful one when the basis laid down is a concrete one they represent the desired solution to the problem and help in proper utilization of Vodafone cellular

### **OBJECTIVES:**

The objectives of the research are:

- 1) To find out which sales promotion tools will increase the sales
- 2) To find out how brand ambassador can influence sales promotion
- 3) To find out the market share of "Vodafone Cellular"
- 4) To know the features that attracts the customer to subscribe to Vodafone cellular.
- 5) To know the level of satisfaction of customers towards "Vodafone cellular services" opportunities.

### **LITERATURE REVIEW**

#### **Sales promotion:**

Sales promotion consists of a diverse collection of incentive tools, mostly short term, designed to stimulate quicker or greater purchase of particular products or services by consumers or the trade .Sales promotion is a key ingredient in marketing campaigns.

Whereas advertising offers a reason to buy, sales promotion offers an *incentive* to buy. Sales promotion includes tools for *consumer promotion*- samples, coupons, cash refund offers, price offs, premiums, prizes, point - of- purchase displays and demonstration; *Trade promotion* – prices off, advertising and display allowances, and free goods; and *business and sales for promotion* – trade shows and conventions, contests for sales reps and specialty advertising.

Sales promotion is one of the elements of the promotional mix. (The primary elements in the promotional mix are advertising, personal selling, direct marketing and publicity/public relations). Sales promotion uses both media and non-media marketing communications for a pre-determined, limited time to increase consumer demand, stimulate market demand or improve product availability. Examples include contests, coupons, freebies, loss leaders, point of purchase displays, premiums, prizes, product samples, and rebates.

Sales promotions can be directed at either the customer, sales staff, or distribution channel members (such as retailers). Sales promotions targeted at the consumer are called consumer sales promotions. Sales promotions targeted at retailers and wholesale are called trade sales promotions. Some sale promotions, particularly ones with unusual methods, are considered gimmicks by many.

Sales promotion includes several communications activities that attempt to provide added value or incentives to consumers, wholesalers, retailers, or other organizational customers to stimulate immediate sales. These efforts can attempt to stimulate product interest, trial, or purchase. Examples of devices used in sales promotion include coupons, samples, premiums, point-of-purchase (POP) displays, contests, rebates, and sweepstakes.

Sales promotion is implemented to attract new customers, to hold present customers, to counteract competition, and to take advantage of opportunities that are revealed by market research. It is made up of activities, both outside and inside activities, to enhance company sales. Outside sales promotion activities include advertising, publicity, public relations activities, and special sales events. Inside sales promotion activities include window displays, product and promotional material display and promotional programs such as premium awards and contests.

Sales promotions often come in the form of discounts. Discounts impact the way consumers think and behave when shopping. The type of savings and its location can affect the way consumers view a product and affect their purchase decision. The two most common discounts are price discounts ("on sale items") and bonus packs ("bulk items"). Price discounts are the reduction of an original sale by a certain percentage while bonus packs are deals in which the consumer receives more for the original price. Many companies present different forms of discounts in advertisements, hoping to convince consumers to buy their products.

Many discounts are designed to give consumers the perception of saving money when buying products, but not all discounted prices are viewed as favorable to buyers. Therefore, before making a purchase, consumers may weigh their options as either a gain or a loss to avoid the risk of losing money on a purchase. A "gain" view on a purchase results in chance taking. For example, if there is a buy-one-get-one-half-off discount that seems profitable, a shopper will buy the product. On the other hand, a "loss" viewpoint results in consumer aversion to taking any chances. For instance, consumers will pass on a buy-three-get-one-half-off discount if they believe they are not benefitting from the deal. Specifically, consumers will consider their options because "...the sensation of loss is 2.5 times greater than the sensation of gain for the same value".

The Framing Effect is "the phenomenon that occurs when there is a change in an individual's preference between two or more alternatives caused by the way the problem is presented". In other words, the format in which something is presented will affect a person's viewpoint. This theory consists of three subcategories: risky choice framing, attribute framing and goal framing. Risky choice framing references back to the gain-or-loss thought processes of consumers. Consumers will take chances if the circumstance is profitable for them and avoid chance-taking if it is not. Attribute framing deals with one key phrase or feature of a price discount that is emphasized to inspire consumer shopping. For example, the terms "free" and "better" are used commonly to lure in shoppers to buy a product. Goal framing places pressure on buyers to act hastily or face the consequences of missing out on a definite price reduction. A "limited time only" deal, for example, attempts to motivate buyers to make a purchase quickly, or buy on impulse, before the time runs out.

**Table-01 What features attract a vodafone card purchase – wise Classification of respondents**

Features attract a card purchase	No of respondents	Percentage
Mostly friend and affordable plans	19	25.3
Best quality network	22	29.3
Widest coverage in A.P	15	20
Brand loyalty	19	25.3
<b>Total</b>	<b>75</b>	<b>100</b>

**Source: field data**

It could be inferred from the Table-01 that, 25.3 percentage of the respondents belong to the Mostly friend and affordable plans, 29.3 percentage of the respondents belong to the best



quality network, 20 percentage of the respondents belong to the Widest coverage in A.P, 25.3 percentage of the respondents belong to the brand loyalty. Hence it could be inferred from the Table-01 that, 29.3 percentage of the respondents who belongs to best quality network is the highest.

**Table-02 More Effective In Grabbing More Market Share - Wise Classification Of Respondents**

Sales promotion	No of respondents	Percentage
Extra talk time	23	30.6
Customized recharge facility	17	22.6
Free incoming for more than one month	21	28
Any other	14	18.6
<b>Total</b>	<b>75</b>	<b>100</b>

**Source: field data**

It could be found from the Table-02 that, 30.6 percentage of the respondents belong to the Extra talk time, 22.6 percentage of the respondents belong to the customized recharge facility, 28 percentage of the respondents belong to the free incoming for more than one month, and the remaining 18.6 percentage of the respondents belong to the any other.

Hence it could be found from the Table-02 that, 23.74 percentage of the respondents who belongs to Extra talk time is the highest.

**Table-03 What Makes Vodafone Most Preferred - Wise Classification Of Respondents**

Vodafone most preferred	No.of.respondents	Percentage
Widest coverage in A.P	18	24
Brand loyalty	20	26.6
Most economical and friendly packages	19	25.3
Best quality & extensive network	18	24
<b>Total</b>	<b>75</b>	<b>100</b>

**Source: field data**

It could be understood from the Table-03 that, 24 percentage of the respondents belong to the widest coverage in A.P, 26.6 percentage of the respondents belong to the brand loyalty, 25.3 percentage of the respondents belong to the most economical and friendly packages, and the remaining 24 percentage of the respondents belong to the best quality & extensive network.

Hence it could be understood from the Table-03 that, 26.6 percentage of the respondents who belongs to brand loyalty is the highest.

**Table-04 From Which Medium You Came To Know About Vodafone - Wise Classification Of Respondents**

Medium to know about Vodafone	No of respondents	Percentage
Word of mouth	24	32
Internet	22	29.3
Advertisement	15	20
News paper	14	18.6
<b>Total</b>	<b>75</b>	<b>100</b>

**Source: field data**

It could be ascertained from the Table-04 that, 32 percentage of the respondents belong to the word of mouth, 29.3 percentage of the respondents belong to internet, 20 percentage of the respondents belong to the advertisement, and 18.6 percentage of the respondents belong to the newspaper.

Hence it could be ascertained from the Table-04 that, 32 percentage of the respondents who belongs to word of mouth medium to know the brand is the highest.

**Table-05 Vodafone On Being Wide Among Users Would You Like Recommended - Wise Classification Of Respondents**

Recommended	No of respondents	Percentage
Yes	64	85.3
No	11	14.6
<b>Total</b>	<b>75</b>	<b>100</b>

**Source: field data**

It could inferred from the Table-05 that, 85.3 percentage of the respondents belong to the yes, 14.6 percentage of the respondents belong to the no.

Hence it could inferred from the Table-05 that, 85.3 percentage of the respondents who belongs to ready to recommended is the highest.

### **FINDINGS**

1. it could inferred from the Table-01 that, 29.3 percentage of the respondents who belongs to best quality network is the highest.
2. it could be found from the Table-02 that, 23.74 percentage of the respondents who belongs to Extra talk time is the highest.
3. it could be understood from the Table-03 that, 26.6 percentage of the respondents who belongs to brand loyalty is the highest.
4. it could be ascertained from the Table-04 that, 32 percentage of the respondents who belongs to word of mouth medium to know the brand is the highest.
5. it could inferred from the Table-05 that, 85.3 percentage of the respondents who belongs to ready to recommended is the highest.

### **CONCLUSION**

The study on "SALES PROMOTION:A STUDY ON CUSTOMER BEHAVIOUR TOWARDS VODAFONE MOBILE SERVICES AT NATHAM TALUK IN DINDUGUL DISTRICT" Revealed that there is a very positive impact on Dealers regarding the Vodafone brand. Hence it is strongly recommended to stress more on the Dealers Relationship part of the strategies of the company. Since the Vodafone cellular is a well-established brand in India and is an Indian multinational company the study can be better validated by making a nationwide survey. The study was conducted in various regions in Natham. The response of consumer's were collected for the purpose of analysis. The information collected is purely on the consumer opinion & may be biased. The study was allowed to selected areas in the Natham area. The study could be more effective if the sampling frame of respondents is increased beyond the city. If survey was done in other cities of India also. Then a better picture would merge.

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## 18. SUSTAINABLE DEVELOPMENT IN BUSINESS PRACTICE

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### **ABSTRACT**

*Sustainable development involves considering environmental, economic, and social objectives when developing and implementing public policies and programs. It also involves considering the needs of the present as well as the needs of future generations. Integrated decision making and a long-term approach to planning are defining characteristics of sustainable development and represent the key management challenges. Sustainable development presents some distinct challenges for which there has been limited practical guidance. The main objective of this paper is to identify challenging aspects of managing sustainable development and to provide managers with examples of the types of practices and analytical techniques that will help them address these particular challenges.*

### **INTRODUCTION**

The concept of sustainable development has received growing recognition, but it is a new idea for many business executives. For most, the concept remains abstract and theoretical. Protecting an organization's capital base is a well-accepted business principle. Yet organizations do not generally recognize the possibility of extending this notion to the world's natural and human resources. If sustainable development is to achieve its potential, it must be integrated into the planning and measurement systems of business enterprises. And for that to happen, the concept must be articulated in terms that are familiar to business leaders.

**Seven steps are required for managing an enterprise according to sustainable development principles. These are set out below.**

**1. Perform a stakeholder analysis:** At the beginning of this century, company strategies were directed primarily towards earning the maximum return for shareholders and investors. Businesses were not expected to achieve any other social or environmental objectives. Exploitation of natural and human resources was the norm in many industries, as was a lack of regard for the wellbeing of the communities in which the enterprise operated. In short, corporations were accountable only to their owners. A stakeholder analysis is required in order to identify all the parties that are directly or indirectly affected by the enterprise's operations. It sets out the issues, concerns and information needs of the stakeholders with respect to the organization's sustainable development activities.

A company's existence is directly linked to the global environment as well as to the community in which it is based. In carrying out its activities, a company must maintain respect for human dignity, and strive towards a society where the global environment is protected.

**2. Set sustainable development policies and objectives:** The next objective is to articulate the basic values that the enterprise expects its employees to follow with respect to sustainable development, and to set targets for operating performance. Senior management is responsible for formulating a sustainable development policy for its organization, and for establishing specific objectives. Sustainable development means more than just 'the environment'. It has social elements as well, such as the alleviation of poverty and distributional equity.

It also takes into account economic considerations that may be absent from a strictly 'environmental' viewpoint. In particular, it emphasizes maintaining or enhancing the world's capital endowment, and highlights limits to society's ability to substitute manmade capital for natural capital.

**3. Design and execute an implementation plan:** It is important to draw up a plan for the management system changes that are needed in order to achieve sustainable development objectives. Translating sustainable development policies into operational terms is a major undertaking that will affect the entire organization. It involves changing the corporate culture and employee attitudes, defining responsibilities and accountability, and establishing organizational structures, information reporting systems and operational practices. These changes are normally so substantial that a three-to-five-year plan with one year milestones will be needed. Managing this type of organizational change requires leadership from senior management. The board of directors, the chief executive officer and other senior executives must be actively involved in the process. They need to lead by example, and to set the tone for the rest of the organization.

**4. Develop a supportive corporate culture:** In order to ensure that the organization and its people give their backing to the sustainable development policies, an appropriate corporate culture is essential. In the process of implementing sustainable development or environmental management policies, many companies have experienced a kind of organizational renewal. The increased participation of employees not only generates practical ideas, but also increases enthusiasm for the programme itself. Most customers and employees enjoy being part of an organization that is committed to operating in a socially responsible manner.

Implementing sustainable development objectives will probably require managers to change their attitudes. This may be accomplished only after retraining. For example, some executives may feel that their sole responsibility is to maximize the wealth of the enterprise's owners. As a result, they may have difficulty understanding the sustainable development concept and in accepting it as a legitimate business objective.

Meanwhile some managers may not be accustomed to identifying the need for eco-efficient practices such as energy efficiency and recycling. Some may never have explicitly considered the effect of their actions on any stakeholder group other than shareholders. Others may resist changing the way in which their performance is measured.

**5. Develop measures and standards of performance:** The implementation of sustainable development objectives and the preparation of meaningful reports on performance, require appropriate means of measuring performance. Management control, as well as external reporting, depends in part on the availability of timely information about company operations. This is needed in order to allow management to assess performance against external and internal performance standards, using appropriate performance measures. Information systems will therefore need to be reviewed, to enable the necessary reports to be provided to management.

The measures used to assess and report on performance will be influenced by the company's sustainable development objectives, and by standards that have been established by government and other public agencies. For example, performance targets may be set in terms of emission levels and energy usage per tonne of output, or perhaps working hours lost due to accident or illness. The information generated must be in the right units if actual performance is to be compared with the set targets. This might require new measuring procedures to be introduced.

In many cases, companies are ahead of governments in establishing sustainable development performance criteria. However, as society becomes more aware of environmental issues and exerts more pressure for action, government can be expected to take on a more influential role.

**6. Prepare reports:** The next step in the process is to develop meaningful reports for internal management and stakeholders, outlining the enterprise's sustainable development objectives and comparing performance against them.

Directors and senior executives use internal reports to measure performance, make decisions and monitor the implementation of their policies and strategies. Shareholders, creditors, employees and customers, as well as the public at large, use external corporate reports to evaluate the performance of a corporation, and to hold the directors and senior executives accountable for achieving financial, social and environmental objectives.

**7. Enhance internal monitoring processes:** On an ongoing basis it will be important to develop mechanisms to help directors and senior managers ensure that the sustainable development policies are being implemented. Performance monitoring is well established as an important element of the management process. In many areas, it is directly linked to reporting. The key to any system's effectiveness is whether the management monitors operations and outputs on an ongoing basis. Monitoring can take many forms, such as:

- Reviewing reports submitted by middle managers;
- Touring operating sites and observing employees performing their duties;
- Holding regular meetings with subordinates to review reports and to seek input on how the procedures and reporting systems might be improved;
- Implementing an environmental auditing programme.

### **Implications for business**

It has become a cliché that environmental problems are substantial, and that economic growth contributes to them. A common response is stricter environmental regulation, which often inhibits growth. The result can be a trade-off between a healthy environment on the one hand and healthy growth on the other. As a consequence, opportunities for business may be constrained.

Businesses and societies can find approaches that will move towards all three goals - environmental protection, social wellbeing and economic development - at the same time. Sustainable development is good business in itself. It creates opportunities for suppliers of 'green consumers', developers of environmentally safer materials and processes, firms that invest in eco-efficiency, and those that engage themselves in social well-being. These enterprises will generally have a competitive advantage. They will earn their local community's goodwill and see their efforts reflected in the bottom line.

### **Enhancing management systems:**

The two main areas of the management system that must be changed are those concerned with:

- A greater accountability to non-traditional stakeholders;
- Continuous improvement of reporting practices

### **CONCLUSION:**

A general plan is needed to describe how and when management expects to achieve that goal, together with the various milestones it will reach along the way. Senior management should review and approve the strategy and the plan before submitting them to the board of directors for final approval. Because of the pervasiveness of sustainable development, it is essential that members of the senior management team (representing all facets of the company's activities) 'buy in' to the project. Anything less than full commitment may doom the plan to failure.

Once the strategy and the general plan have been approved, detailed plans should be prepared indicating how the new strategy will affect operations, management systems, information systems and reporting. These should set out measurable goals to be achieved in each area, and explain how progress will be monitored. They should also specify spending and training requirements.

## 19. INNOVATION IN SUSTAINABLE FACILITIES MANAGEMENT PRACTICE

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### **ABSTRACT**

*Pressure from stakeholders and society as larger is increasingly demanding organisations to take action on sustainability including a wide range of social and environmental issues, in addition to their economic objectives. Innovation in sustainable FM practice is vital in order for organisations to respond to these demands as well as stringent legislations. However, perceived barriers such as financial and time constraints, as well as lack of knowledge and awareness, are critically hindering the efforts of organisations to incorporate sustainable activities in their business operations. In response to the aforementioned barriers, a good practice document aimed at helping organisations to develop and implement a sustainability policy was produced which, whilst in support of their core strategic objectives, effectively satisfies their stakeholders' needs. The upmost value of the present guide lies within its undeniable contribution to reducing the impact of the main barriers in Sustainable FM. The document effectively accomplishes its objective through the dissemination of practical knowledge of the key elements that support a successful sustainability framework; therefore, it boosts the ability of organisations from across all sectors, types and sizes, to respond in time to the increasing and rapidly changing demands from its wide range of stakeholders for innovation in sustainability practices, whilst maximizing their financial performance.*

### **INTRODUCTION**

Facilities Management (FM) is one of the fastest growing industries. With the rising legislative requirements and targets to tackle global warming, FM are in the forefront in delivering the national and international sustainability targets. There are challenges in the understanding and building a consensual definition of sustainability. The existence of such polarized understanding of the term together with materialized interests of various individuals and organisation is a main barrier for achieving sustainability. The lack or the limited understanding of the key concepts of sustainability and lack of practical knowledge contribute to the little implementation and effectiveness of the sustainable practice in the FM industry. The other primary problem preventing the FM sector from driving the sustainability agenda forward is the lack of expertise information and credible practical guidance. However, there is an increasing pressure from organisation stakeholders and society as large to act sustainably. This paper argues that innovation is an important vehicle for advancing the sustainability agenda particularly within the FM industry. The paper further provides a setting for sustainability policy that is vital in providing the commitment, framework and the environment needed to advance innovation in sustainable FM practice.

### **INNOVATION IN THE CONSTRUCTION SECTOR**

Studying innovation is widely becoming a mainstream discipline in economics and business management particularly to understand and evaluate technological and organisational change. The discipline is as an academic field contains a large volume of knowledge about concepts, theoretical models, case studies, technology modelling tools, and

government and industry strategies and policies. Innovation is tied considerably with organisations abilities to improve on their current products, services, processes, and working practices for competition, market growth and economic performance as well as customer choice, social and environmental sustainability and quality of life as a whole.

With the construction industry, innovation is notoriously known to be difficult to define and proceduralise. Furthermore current debates of innovation continue to raise further questions about the nature and characteristics of innovation. The concept of innovation is intertwined with issues of knowledge creation, continuous improvement and organisational change. Within academia the understanding of innovation is still considered under-developed and highly fragmented. However, innovation is when knowledge from previously separated domains is exchanged and combined in new ways. The result of this innovative practice is innovation when and only when this combination of domains leads to the successful diffusion of a new product, process or service. Innovative practice is therefore not merely about getting new ideas and the generation of an invention, but equally about the successful exploitation and diffusion of that invention. further strengthens this perspective when she defines innovation as the practice of creation, conversion and commercialisation. Innovation and innovative practice therefore rely very much on the existing knowledge networks in an organization, and how such networks of conversation allow for or prevent different domains of knowledge from being connected in new and meaningful ways.

### **INNOVATION FOR SUSTAINABLE FM**

Innovation while is developing as discipline lacked a common definitions and hence the concept used in FM service provision is ambiguous and it is stated that, “an innovation is an idea, practice, or object that is perceived as new by an individual or unit of adoption” .

Innovation is considered one of the most pressing component of the competitive advantage of organizations, considered innovation is essential for the survival of organisation. This is particularly true in FM due to the complex nature of the industry and the financial pressures that facing facilities managers. Innovation as process is vital for FM profession to advance and deliver the sustainability agenda.

### **The Reality of FM**

The industry and its market are forecasted to develop to include non-core functions including payroll IT, activities traditionally not associated with this profession, but which are increasingly being addressed by FMs. Various institutions, professionals and organisations offer different definitions but the idea that they reflect is the strong relationship and interaction between buildings, services and organisations’ core activities. Organisations use buildings, services and assets to create an environment that can enhance the performance of their primary business. The remit of Facilities Management industry is very broad and is constantly growing as more activities are tend to be regarded as non-core ones and included in the facilities management sector. The following range of ancillary services is incorporated in the FM sector:

- Security
- Cleaning
- Catering
- Building Fabric Maintenance
- Gardening and Landscaping
- Lift and Escalators Maintenance
- Lighting
- Building Design
- Plant Replacement
- Construction Management
- Energy Management
- Voice and Data Communication
- Disposal and Acquisition of Buildings
- Relocation
- Space Planning
- Postal Services
- Secretarial Services

## **Sustainable FM Practice**

Sustainability is becoming increasingly important for Governments, business organizations and community at large having experienced the consequences of the global warming. There is an urgent need to change the way people think and operate. The concept of Sustainable Facilities Management has developed in parallel with the overarching concept of sustainable development and the growing appreciation of the scale of predicted climate change. The case for change has been successfully made and the need to balance the three strands of sustainable development - social, economic and environmental – is apparent. It is both fortuitous and timely that the facilities management profession has grasped the agenda for change and is aspiring to develop practical sustainability goals within this rapidly evolving profession. Facilities managers are now at the forefront of organisational behavioural change and in a position to influence the behaviour of individuals working in business, government departments and public services within the facilities they manage. Governments at both national and international level are using regulation to bring reduce carbon emissions and manage demand. Much of the burden of regulation will need to be picked up by facilities managers at every level. The need for sustainable facilities management, and for skilled facilities managers to carry out this function, is therefore growing and the need to develop new ways of working to meet sustainability criteria is of increasing importance. The drivers now are to meet the challenges of applying sustainable development criteria to the management of facilities. The processes of implementing a sustainability policy may include part of all of the following:

- Planning: Defining goals, objectives, roles and responsibilities, indicators, etc.
- Selling: Making a business case that convinces all levels of management.
- Implementing: Building teams, assigning tasks and responsibilities, communicating objectives, execute activities, etc.
- Target setting and Monitoring: Assessing your organization's performance, making timely adjustments, etc.
- Reporting: Collecting and organizing the data on performance, enabling a dialogue platform between your organization and your stakeholders.
- Providing feedback: Acknowledging, translating, communicating and taking action on your stakeholders' views on your performance.

A sustainability policy should offer a balanced approach across all topics within the triple-bottom line, and not only those that are easy to measure and show improvement on. A sustainability policy primarily aims at satisfying the expectations of an organisation's stakeholders. For example, entities from within the public sector may have special interest on practices that improve health & safety standards and support legislation compliance, as a way of pushing forward the government's core strategic agenda; whereas non-profit organisations might feel stronger about ethical procurement and community engagement activities as means to improving community development. Therefore, identifying your stakeholders and understanding their needs is a key step to outlining the aim and purpose of your sustainability policy.

## **CONCLUSION**

Facilities Managers are in the forefront for delivering sustainable assets management, and hence further the venture for mitigation and adaptation to climate change. This paper build on recent surveys conducting to establish the barriers and knowledge gap in applying sustainability principles and technologies in Facilities Management (FM). The overwhelming barrier for implementing sound sustainable FM is the lack of consensual understanding and focus of individual and organizations for sustainability, hence appreciating the opportunities, threats and need for strategic leadership and direction in driving essential change.



## 20. LIFE CYCLE MANAGEMENT: IMPLEMENTING SUSTAINABILITY IN BUSINESS PRACTICE

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### **ABSTRACT**

*Life cycle management is a business management concept applied in industrial and service sectors to improve products and services, while enhancing the overall sustainability performance of the business and its value chains. Life cycle thinking and product sustainability is operational for businesses that are ambitious and committed to reducing their environmental and socio- economic burden while maximizing economic and social value. In this regard, life cycle management is used beyond short-term business success and aims at long-term achievements. The term “life cycle management” has been confused with other uses in engineering and manufacturing (product life cycle management) and in software development (application life cycle management), in buildings, plants, information management and so on. There is a need to clarify this term and its definition more than a decade since the concept was first introduced. Methods and tools used and the general framework for life cycle sustainability management covering environmental, social and economic aspects in business practices are discussed in detail.*

### **INTRODUCTION**

LCM is mainly a business management concept for sustainable products that can be applied in the industrial and service sectors with the aim of improving specific goods and services and enhancing the overall sustainability performance of the business and its value chains in general. It makes life cycle thinking and product sustainability operational for businesses that are ambitious and are committed to reduce their environmental and socio-economic burden, while maximizing economic and social values. LCM requires a holistic view and a full understanding of interdependency of businesses in order to support relevant decisions and actions so as to improve sustainability performance that takes into account both the environmental and social benefits and at the same time offer a number of value creation opportunities to the business.

#### **Life cycle management – Definition**

The definitions of LCM are thus wide and its concept needs further development, to which this book aims to contribute with theoretical and practical contributions, in particular from industries and businesses. New aspects include, for instance, activities on mainstreaming and capacity building as well as the use of LCM in the context of emerging economies, SMEs and regional development. Some of the famous definition for LCM are given below:

**Linnanen:** Life cycle management consists of three views: (1) the management view – integrating environmental issues into the decision making of the company; (2) the engineering view – optimizing the environmental impact caused by the product during its life cycle; and (3) the leadership view – creating a new organizational culture.

**Fava:** Life cycle management is the linkage between life cycle environmental criteria and an organization's strategies and plans to achieve business benefits.

**Hunkeler:** Life cycle management (LCM) is an integrated framework of concepts and techniques to address environmental, economic, technological and social aspects of products, services and organizations. LCM, as any other management pattern, is applied on a voluntary basis and can be adapted to the specific needs and characteristics of individual organizations.

### **Life cycle management – Concept**

The goal of life cycle thinking is to avoid burden shifting by assessing a product's use of natural resources and its impact on the environment, the economy and society throughout its entire life cycle. Life cycle thinking enables to consider the environmental, social and economic impacts associated with the production or consumption of the product by taking into account all the stages of the product life cycle. It provides a means of ensuring that improvements in one stage are not creating a greater cumulative impact by simply shifting the burden to another stage of the life cycle. Therefore, it also allows companies to see the influence of their choices with regard to sustainability and help them take decisions, so trade-offs can be balanced positively to impact the economy, the environment and society.

A particular aspect of LCM is the question of who has which responsibilities in the product life cycle with regard to sustainability and who can do what under which circumstances. Evidently a retailer like Wal-Mart has more power to initiate change within the supply chain than for instance a supplier of automotive parts. Furthermore, the existence of sector wide collaborations like the Global e-Sustainability Initiative (GeSI) shows that there is space for joint work of companies of one sectors to address supply chain challenges, which in the case of GeSI have been addressed for instance by E-TASC (Electronics – Tool for Accountable Supply Chains), which a web-based tool utilized by companies to manage their own factories, communicate with their customers and assess their suppliers on corporate responsibility risks. A related facet of life cycle (sustainability) management is how it is embedded in sustainable consumption and production (SCP) policies. SCP is understood as the "The use of services and related products, which respond to basic needs and bring a better quality of life while minimizing the use of natural resources and toxic materials as well as the emissions of waste and pollutants over the life cycle of the service or product so as not to jeopardize the needs of future generations".

### **Systems and Tools for Life Cycle Management**

Being an integrated management framework of concepts, techniques and procedures, LCM connects different operational concepts, policies, systems, methods, tools and data that incorporate environmental, economic and social aspects and looks how they are interconnected and how to best address these throughout the product or process life cycle. As indicated in the previous section, a wide range of methods, tools and concepts can be used in LCM. Analytical tools are life cycle assessment (LCA), life cycle costing (LCC), social life cycle assessment (SLCA), organizational LCA (OLCA), hotspot analysis, different forms of foot printing such as water footprint and carbon footprint, cost benefit analysis (CBA), material flow analysis (MFA), substance flow analysis (SFA), input-output analysis (IOA), environmental risk assessment (ERA), etc. Procedural tools include auditing, checklists, eco-design, eco-labeling, etc. and supportive tools such as weighting, e.g. by Delphi expert panels, uncertainty analysis,

LCM also includes design concepts such as design for the environment, design for sustainability, design for recycling etc. It also refers to policies and strategies such as circular economy, sustainable consumption and production, integrated product policy (IPP), resource efficiency, eco-efficiency, dematerialization, industrial ecology, etc. as well as organizational systems or programs such as extended product responsibility (EPR), product development process (PDP), certification, environmental communication, value chain management, etc. All these analytical and procedural tools as well as policies, strategies and systems/programs are part of LCM.

The initial ideas for this integrated approach of using multiple tools and methods stem from the Chain Net project. Companies need to go beyond their organizational boundaries and be willing to expand their scope of collaboration through external communications to all stakeholders of their value chain as it makes them more visible, may improve their public

image, improve their relations with stakeholders and may increase their market penetration through mapping their product chains and develop criteria for product enhancement and value creation. Life cycle information may be included in:

- Communication to shareholders and stakeholders in general by, for example, green accounting and annual environmental or sustainability reports.
- Communication with customers through such items as life cycle based environmental product declarations, LCA data, product environmental performance indicators or product profiles.
- Communication with public authorities via product information schemes and green public procurement guidelines.
- Communication with the public, consumers (including professional purchasers in businesses) and retailers using product brochures and various eco-labeling systems and information campaigns.
- Communication with suppliers, including SMEs, using company codes or manuals of conduct, audit or supplier evaluation systems.

### **Organizational Challenges**

LCM can be applied in all organizations from a very small-scale local vendor to large and multinational companies. As a life cycle approach, LCM is a dynamic process in which companies may begin applying it with specific goals and objectives depending on the resource they have. They may begin with using LCA as a tool to evaluate their environmental performance of a single product and find an alternative solution to reduce the environmental burden from this product. Through time they can adjust their goal and move forward step-by-step from one project to a more advanced and sophisticated life cycle management practice, with a process in place for multiple products, which require advanced tools and data-intensive programs.

One of the critical reasons for companies to be engaged with LCM practices is their pursuit for continuous improvements, covering economic, environmental and social aspects. Business strategy, market opportunities and requirements from the finance sector, as well as national legislations, trade block related regulations and international agreements are the key drivers behind the implementation of LCM. Evidently, companies have to apply it based upon high-level management decisions, only then LCM becomes an integral part of the organizations' policies and strategies in the short term and long term. However, it can also be implemented with a pioneer in one of the multiple departments of an organization. Successful implementation of LCM demands continuous support from top level management such as:

- Providing the required resources for the sustainability initiative including time and educational resources
- Participating actively in setting up the strategic sustainability goals of the organization
- Communicating explicitly throughout the organization regarding the sustainability aims in an effective and clear manner
- Involving actively the employees with regard to ideas and suggestions for the use of life cycle approaches

However, in order for LCM to be accepted and get continuous support from top level management, it needs to highlight the economic benefits the company can profit from its implementation in addition to the social and environmental performance improvements.

### **CONCLUSION**

With regard to the future, management science will increasingly be brought into the topic of LCM, and that there is an important need for capacity building and a great potential for mainstreaming.

## 21. WORK LIFE BALANCE OF EMPLOYEES IN SAIL REFRACTORY COMPANY LIMITED, SALEM.

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### **ABSTRACT**

*Work-life balance is now playing an important role in deciding the job related performance of employees in any company. With swelling obligations in the work place, it is very difficult to the employees to maintain a fair level of work life balance. Such circumstances impact on workers physiologically and psychologically. The successful management of an organization's human resources is an exciting, dynamic and challenging task, especially at a time when the world has become a global village and economies are in a state of flux. In organizations and on the home front, the challenge of work life is rising to the top of many employers' and employees' consciousness. Human resources are the most valuable and unique assets of an organization. Increasing prevalence of work-life balance conflicts in the current scenario increase the challenge and opportunity of human resource professionals, work life issue lead the employee into burn out and turnover intention it effects employees in a myriad ways. The sail company can be a high pressure, high stress, demanding long working hours, and it is posited that work life balance initiatives are important for the future sustainability of the industry. The present study focuses on the relationship of work life balance, burn out turnover intention of employees in Sail Company.*

**KEYWORDS:** work life balance, work place support and family support, company employees, sail refractory company ltd.

### **INTRODUCTION**

The subject of Work Life Balance and Work Life Boundaries has received much attention in the last 15 years. Though concept of Work Life Balance is not so much popular in India yet as it is in the West. India remained unaffected earlier due to the social support system available so far in our country. But now in India, there is also change in family structures like the advent of nuclear family system and structure of work force- more employee participation in workforce. Further, the today's workforce now includes more dual career couples where both have careers, not just jobs. Organizations have started to realize that work and personal life are interdependent and employees' personal issues can impact job performance and further job satisfaction and life satisfaction. So organizations need to incorporate policies and strategies to foster a Work Life Balance into their workforce and support their staff undertake Work Life Balance policies or programs.

The demands of work domain of life were the working hours, work intensity and the proportion of working hours actually spent in work. If more hours were subtracted from home hours keeping the work intensity high, the imbalance may produce fatigue, anxiety and other physiological impact that could have a negative effect on both work and family domain of life. Often organization culture and workplace practices dominate an individual's working life and put organization's requirements before the individual's needs. But in due course of time it leads to low performance and productivity shown by the employees in work.

Work life balance is about people having a measure of control over when, where and how they work. It is achieved when an individual's right to a fulfilled life inside and outside paid work is accepted and respected as the norm to the mutual benefit of the individual, business and society. We all want a good balance between our work life and our home life. We know what a difference it makes to our quality of life when we feel our job is interfering with our family activities or our family life is creating problems at work.

### **WORK LIFE BALANCE**

Work life balance can be understood as a balancing point on the seesaw, one side of which is work, while the other side is domestic and personal life. A major portion of employee's productive time is spent at the work place. Any problem, either at the work place or in the family, will definitely disturb the balance and thus it is necessary to address the various factors related to work and family that can directly or indirectly affect the overall performance.

### **REVIEW OF LITERATURE**

**Ahmed and Sivasankar (2013)** have made a comparative study between public and private companies' work environment and its impact on organizational performance. A sample of 150 respondents from public and private company has been chosen totalling to 300 respondents. The result shows that there is no significant difference in work environment and occupational stress in both public and private companies.

**Mridula N Murthy and Shailaja Shastri (2015)** A qualitative study on work life balance of employees working in private sector. The study discusses the issues faced by most of the employees in all walks of life; work, life, self, and other issues that might affect an employee's balance between professional and personal commitments and intern affects their performance at work. Companies can utilise the analysis of the current study to bring about policies that support and facilitate the employees to cope with these issues.

According to **Muhammad, Saleem, Ahmad (2010)**, this study is based on the work-life responsibilities is low in steel industry. Because they have more risk level to barrier their personal health, job insecurity, working hours, low work life balance. So, they have not working well in the industry they burnout their job satisfaction.

### **OBJECTIVES**

- To study the demographic profile of the respondents and its influence towards work life balance.
- To examine the relationship of work life balance, burn out level and turnover intention of employees in Sail Refractory Company Ltd.

### **RESEARCH METHODOLOGY**

- Descriptive research design was used in this study.
- Sampling method used for the study is random sampling.
- Primary data was collected from employees of different section in Sail Refractory Company Ltd.
- Secondary data was collected from various journals, book and website.
- Sample size is 170.
- Statistical tools such as percentage analysis, and regression analysis were used.

### **ANALYSIS AND INTERPRETATION**

From the below table it is inferred that 87% of the respondents are male, 38% of the respondents are belongs to age group of 41-50 years, 78% of the respondents are married, 33% of the respondents are UG level qualification, 58 % of the respondents are Less than 5 kms distance to the work place, 45% of the respondents are above 15 yrs experience, 51% of the respondents are Junior Level position, 34% of the respondents income level of Rs.20000-Rs.25000.

**Demographic Profile of the Respondents**

S.No	Attribute	Description	Frequency	Percentage
1.	Gender	Male	148	87
		Female	22	13
		Total	170	100
2.	Age	20-30 years	21	12
		31-40years	56	33
		41-50 years	64	38
		51-60years	29	17
		Total	170	100
3.	Marital Status	Married	132	78
		Unmarried	38	22
		Total	170	100
4.	Education Qualification	School level	30	18
		Diploma level	21	12
		UG level	57	33
		Others	49	29
		PG level	13	8
		Total	170	100
5.	Distance to the Work Place	Less than 5 kms	98	58
		5-10 kms	5	30
		11-15 kms	14	8
		Above 16 kms	6	4
		Total	170	100
6.	Experience	1- 3 yrs	10	6
		4-7 yrs	18	11
		8-15 yrs	64	38
		Above 15 yrs	78	45
		Total	170	100
7.	Position	Junior Level	86	51
		Senior level	72	42
		Manager level	8	5
		Others	4	2
		Total	170	100
8.	Income	Below Rs.10000	21	1
		Rs.10000-Rs.15000	35	21
		Rs.15000-Rs.20000	51	30
		Rs.20000-Rs.25000	57	34
		Above Rs.25000	6	3
		Total	170	100

**Regression Analysis**

Multiple linear regression analysis was conducted in order to know the extent of variation in the dependent variable of turnover intention of employee(Y) by the two independent variable. Work life balance (X1) and burn out (B) of employee.

**Model Summary**

Model	R	R square	Adjusted square	Std. Error of the estimate
1	.657 <sup>a</sup>	.432	.425	.724

a Predictors: (constant), burnout, work life balance.

The regression analysis result is given below.

<b>Coefficients</b>					
		Un standardized Coefficients		Standardized Coefficients	
Model		B	Std. Error	Beta	t
1	(Constant)	-.894	.571		-1.567
	Work life balance	.068	.099	.040	.689
	Burnout	1.168	.104	.661	11.256
					<b>.000</b>

A. Dependent variable: turnover intention.

<b>ANOVA<sup>b</sup></b>					
Model		Sum of Squares	Df	Mean Square	F
1	Regression	66.610	2	33.305	63.533
	Residual	87.543	167	.524	
	Total	154.153	169		
					<b>.000<sup>a</sup></b>

a Predictors: (constant), burnout, work life balance.

b Dependent variable; turnover intention.

- The value .657 shown in the R column in the above table has shown a strong multiple correlation coefficient of three variables.
- The R square of .432 indicates that 43.2% (.432 \* 100) of the variance in a turnover intention (dependent variable) can be explained by the independent variables, work life balance and burn out.
- The ANOVA table indicated that the mathematical model (regression equation) can accurately explain variation in the turnover intention. The value of .000 (less than .05) provides evidence that there is a low probability that the variation explained by the model is due to chance. We conclude that changes in work life balance and burn out resulted in significant changes in turnover intention. Work life balance (B=.068, p=.492) seems to be unrelated to turnover intention. This would seem to indicate that the work life balance is not an important factor in predicting or influencing turnover intention. The burn out (B=1.168 P=.000) is significant and its coefficient is positive. It indicated that greater the burn out, greater the turnover intention.

## SUGGESTION

- Scheduling the work and proper time management is the best solution for the employees to reduce stress in work place.
- The discussion made with the respondents indicated that the provision of training in the related necessary field was almost nil or negligible in all the institutions. Hence, the institution can arrange for internal training programmes for the interested employees.
- Counselling programs about work life balance can be frequently conducted by the company employees.
- The Company should focus on workers welfare by providing the basic necessities such as quality food, pollution free environment, and recreational facilities which will give to the workers psychologically, emotionally and physically fit enough to work.

## CONCLUSION

In India, Scenario of Job market is changing. India is facing several HR related problems like retrenchment/ layoffs, salary cuts, promotions etc. that leads to decrease in employees

motivation, morale, job satisfaction and increase in absenteeism, turnover, job stress. Their productivity gets affected. It can be concluded that all individual have different requirements at different stages in their life and therefore the concept of work life assume different meaning at each of these junctures. Regulation of work life balance option with the aim of delivering more acceptable work life balance. Needs to deliver (flexibility) rather than any standard solution. The present study reveals that salary, negative attitude of family members, economic conditions of the family, house maintenance and food preparation are the factors influencing work life balance of employees in both work and family. Excess workload and continuous work pressure affect the work life balance of employees. However, it leads to poor efficiency in work and family.

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## 22. EMPLOYEES' AWARENESS ABOUT SAFETY MEASURES IN FIREWORK UNITS AT SIVAKASI

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### **ABSTRACT**

*Fireworks industries are mostly prone to fire and explosion. The hazardous natures of chemicals are being used to produce the scintillating effects during the lighting of the fireworks crackers. The aim of this study was to evaluate the causes for fire & explosions in fireworks factories. The result of the analysis shows that most accidents were caused by too much gunpowder put in at one time and accidents resulting from carelessness while making fireworks. Unsafe acts and unsafe conditions are the main reasons for these accidents. In this paper, the causes of accidents and prevention measures are also discussed.*

**KEYWORDS:** Accident analysis, firework, Sivakasi.

### **INTRODUCTION**

Sivakasi town is in Virudhunagar District of Tamilnadu, India is known for fire crackers and has attained importance for the same nationally and internationally. Virudhunagar District is famous for its match industries, fireworks and printing industries. And it is known throughout the world for fireworks production. About 90% of India's fireworks is produced here. During summer, the climate of is Virudhunagar District very hot and dry, which is suitable for manufacture of Crackers and Fire work, Match industries. There are nearly 700 fireworks factories giving direct employment to about 70,000 workers and about 1 lakh indirect such as paper tube making, wire cutting, box making in the country side.

### **STATEMENT OF THE PROBLEM**

Fire Works manufacture will be in peak prior to Deepavali festival, as most of the crackers are manufactured and sold during this season only. Due to large-scale activities, there are chances of explosion and accidents in fireworks units prior to Deepavali. Special squads are formed during this period exclusively and these squads frequently inspect and monitor the safe working conditions and safe methods of work in Fireworks Industries. By way of increased safety, health and welfare promotional activities such as conducting safety surveys and training courses have controlled numbers of serious accidents inspite of increase in the number of registered factories as well as workers.

### **OBJECTIVES OF THE STUDY**

- \* To study the awareness of fireworks unit workers on prevention of accident.
- \* To analyze the attitude of employees of fireworks units regarding safety aspects.

### **RESEARCH METHODOLOGY**

- \* Descriptive Research design used in this study.
- \* Sampling method used for the study was Convenience sampling method
- \* Primary data was collected from the fireworks units at Sivakasi.
- \* Sample size 220
- \* Statistical tools such as percentage analysis, Chi-Square, Rank correlation coefficient, Weighted Average.

## REVIEW OF LITERATURE

**A. Flannery (1980)** The focus of aviation Safety issues in this case is not directly aimed at the individual employee or the collective manifestation in its entirety but more at the Safety of those who fly. This is not to diminish the value or need of OH&S issues but to contextualize the Safety aim. As discussed, defining Safety is a difficult process with many perspectives to take into account; however Safety was viewed as a characteristic of a system that does not permit unacceptable risks to be undertaken with the goal of injury free operations. The work of Zohar (1980) in validating his Safety Climate survey makes it the basis of a very attractive tool. This is evidenced by the widespread use of Safety Climate surveys. The relative ease of administration and the validity of the Safety Climate survey tool make it an excellent choice for the measurement of the intervention proposed, particularly as the outcome mooted was 'an awareness of System Safety'.

**Veeramani.M,(1999)** in his study "Methods to improve safety awareness", discussed various methods like training in-house journals, safety posters, video programming, safety audit, safety monitoring system. Protective devices recruitment and selection and motivation and their role in preventing the accidents.

**Pearsson.L and Larsson.T.J (1991)** in their study "Accident related permanent disabilities of young workers in swedean," all 500 occupational Accidents resulting in a permanent medical disability (1-100%) reported for persons under the age of to the Swedish no-fault liability insurance(National workers compensation) for the years 1985 have been investigated.

**Stephen Guastello.J, (1991)** in his study "some further evaluations of the International safety Rating system". Secondary analysis was performed on three sets of data that were originally collected to assess the effectiveness of the International safety Rating system (ISRS), also known as the "Five star" program. The analyses, which were based on South African and Australian Industrial experience, showed that the ISRS program has no discernible effect on accident rates.

## ANALYTICAL FRAMEWORK

**Table-1 Educational Qualification**

S.No	Qualification	No of Respondents	Percentage (%)
1	Diploma level	92	41.8
2	UG level	85	38.6
3	PG level	43	19.5
<b>Total</b>		<b>220</b>	<b>100.0</b>

### Source: Primary data

The survey unfolds that while 41.8% were Diploma level, 38.6% were under graduates and 19.5% were post graduates.

### Inference:

41.8 % of the respondents had studied at Diploma level.

**Table-2 Awareness To Prevent Accident**

S.No	Awareness to prevent accident	No of Respondents	Percentage (%)
1	Aware	177	80.5
2	Not aware	43	19.5
<b>Total</b>		<b>220</b>	<b>100.0</b>

### Source: Primary data

The above table shows that out of 220 respondents, 80.5% of the respondents feels that they had awareness to prevent accident, and 19.5% of the respondents have not awareness about the prevention of accident.

**Inference:** Vast Majority 80.5% of the respondents have awareness in preventing accident.

**Table – 3 Worker Involve In The Safety Activities**

S.No	Worker involve in the Safety activities	No of Respondents	Percentage (%)
1	Never	11	5.0
2	Often	95	43.2
3	Most of time	80	36.4
4	Rarely	34	15.5
<b>Total</b>		<b>220</b>	<b>100.0</b>

**Source: Primary data**

The above table shows that out of 220 respondents, 43.2% of the respondents were used often to involve their worker in safety activities, 36.4% of the respondents were Most of time, 15.5% of the respondents were rarely, and 5.0% of the respondents were Never to involve their worker in safety activities.

**Inference:** 43.2% of the respondents were used often to involve their worker in safety activities.

#### **CHI SQUARE ANALYSIS**

**H<sub>01</sub> (Null Hypothesis):** There is no association between the Education of the respondents and Knowledge on safety.

**HA<sub>1</sub>(Alternative hypothesis):** There is an association between the Education of the respondents and Knowledge on safety.

**Table-4 Chi square Analysis of Education of the respondents and Knowledge on Safety**

Particulars	Value	Df	P value
Pearson Chi-Square	11.404 <sup>a</sup>	6	.077
Likelihood Ratio	13.730	6	.033
Linear-by-Linear Association	2.624	1	.105
N of Valid Cases	220		

a. 6 cells (50.0%) have expected count less than 5. The minimum expected count is 1.56.

**Source: Results computed through spss package**

**Inference:** The 'p' value that is pearson chi-square test reads a significant level of 0.077 at 5% level of significance. This value of 0.000 being less than the significance level of 0.05, the null hypothesis is accepted. Hence, there is no association between the Education of the respondents and opinion towards Knowledge on safety.

**H<sub>05</sub> (Null Hypothesis):** There is no association between the Education of the respondents and opinion towards Awareness to prevent accident in factory.

**HA<sub>5</sub> (Alternative hypothesis):** There is an association between the Education of the respondents and opinion towards Awareness to prevent accident in factory.

**Table -5 Chi square analysis between Education of the respondents and Opinion towards Awareness to prevent accident in factory**

Particulars	Value	df	P value
Pearson Chi-Square	2.212 <sup>a</sup>	2	.331
Likelihood Ratio	2.423	2	.298
Linear-by-Linear Association	.998	1	.318

Particulars	Value	df	P value
Pearson Chi-Square	2.212 <sup>a</sup>	2	.331
Likelihood Ratio	2.423	2	.298
Linear-by-Linear Association	.998	1	.318
N of Valid Cases	220		

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 8.40.

**Source: Results computed through spss package**

#### **Interpretation:**

The 'p' value that is Pearson chi-square test reads a significant level of 0.331 at 5% level of significance. This value of 0.298 being less than the significance level of 0.05, the null hypothesis is rejected. Hence, there is association between the Education of respondents and Opinion towards Safety Awareness of Prevent accident in factory.

#### **WEIGHTED AVERAGE ANALYSIS**

**TABLE-6 Knowledge On Safety**

S.NO	Knowledge on safety	TOTAL VALUE	RANK
1	Building lay out	62	I
2	Specified work	60	II
3	Emergency Exit	51	III
4	Exit way	48	IV

Using weighted average analysis, the employee's knowledge on safety aspects faced by the employee is ascertained as 62 for Building layout, 60 for Specified work assigned for the employee, 51 for providing emergency exit, and 48 for Bucca Exit way. This is a clear indication of the safety aspects preferred by employee for Fireworks units.

So the main aspects regarding safety aspects as efficient the employee for "Building layout" has to be established.

#### **RANK CORRELATION COEFFICIENT.**

**Table-7: Rank1- Awareness of working conditions Rank2- Emergency medical services**

R <sub>1</sub> (Awareness of working conditions)	R <sub>2</sub> (Emergency medical services)	D <sub>1</sub> (R <sub>1</sub> - R <sub>2</sub> )	D <sup>2</sup>
2	2	0	0
1	3	-2	4
3	1	2	4
4	4	0	0
5	5	0	0
			<b>Σ D<sup>2</sup> = 8</b>

$$R = (1 - 6ED^2) / (N^3 - N)$$

$$R = [1 - 6(8)] / 5^3 - 5 = (1 - 48) / 120$$

$$R = 0.6$$

#### **Inference:**

There exists **(0.6)** Moderate degree of positive correlation between the Working conditions and emergency medical services of the safety measures in fireworks units.

#### **FINDINGS**

- 41.8 % of the respondents studied at Diploma level.
- Vast Majority 80.5% of the respondents have awareness in preventing accident.
- 43.2% of the respondents were used often to involve their worker in safety activities.

- There is an association between the Education of the respondents and Knowledge on safety.
- There is no association between the Education of the respondents and opinion towards Awareness to prevent accident in factory.
- So the main aspects regarding safety aspects as efficient the employee for "Building layout "has to be established.
- There exists **(0.6)** Moderate degree of positive correlation between the Working conditions and emergency medical services of the safety measures in fireworks units.

### **SUGGESTION**

- Most of the fire accidents are happening due to lesser amount of workspace, improper Building structure and poor exit way. *So, the company should create proper Building layout which is approved by the local body authorities.*
- The workers are force to involve in a safety activities that is they may be informed the consequence of accidents, *since only 43.2% of the respondents are involve in the safety activities.*
- The management may establish Emergency medical services regarding safety.

### **CONCLUSION**

The firework workers should focus exclusively on making firework in order to avoid carelessness resulting in rough handling. The analysis clearly shows that the accidents are held mostly due to human error. An effective safety management with the proper training and education for the workers may prevent the accidents considerably. The strong technical measures like automatic chemical handling methods, and adequate fire prevention & protection systems would definitely help to reduce the accidents effectively. Also top management commitment is essential factors prevent accidents in future.

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## 23. JOB SATISFACTION OF EMPLOYEES' WORKING IN RESTAURANTS AT RAJAPALAYAM

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### ABSTRACT

*In a globalization world people are become very busy schedule. So, they prefer the food from restaurants as easily as possible for the family. Nowadays, restaurant becomes very popular. A restaurant is an establishment which prepares and serves food and drink to customers in return for money, either paid before the meal, after the meal, or with a running table. Modern restaurants are dedicated to the serving of food, where specific dishes are ordered by guest and are prepared to their request and serve for home delivery also. For preparing of these they want more chefs and employees. Job satisfaction is a pleasurable positive emotional state resulting from the appraisal of one's job or job experiences. It results from the perception that one fulfils or allows the fulfilment of one's important job values to the degree that these values are congruent with one's needs. Essentially job satisfaction is a person's attitude towards the job. It represents a complex assemblage of cognitions (belief or knowledge), emotional feelings and behavioural tendencies. The organization has to know the employees' satisfaction level. This improves the organizational vision and goals. So, the researchers have proposed to undertake this study to overcome the above issues.*

**KEYWORDS:** Employees, satisfaction level, Restaurants

### INTRODUCTION

A restaurant is an establishment which prepares and serves food and drink to customers in return for money, either paid before the meal, after the meal, or with a running table. Meals are generally served and eaten on premises, but many restaurants also offer take-out and food delivery services. Restaurants vary greatly in appearance and offerings, including a wide variety of the main chef's cuisines and service models. The modern restaurant originated in 18th century in France. A restaurant owner is called a restaurateur both words derive from the French verb *restaurer*, meaning "to restore". Professional artisans of cooking are called chefs, while preparation staff and line cooks prepare food items in a more systematic and less artistic fashion. The study is on Satisfaction level of Employees' working in restaurants.

There is a significance relationship between the satisfaction level of employees' and company goals. Mostly they should concentrate on Employees' Satisfaction to improve their employees' performance. Satisfied employees are the backbone for the successful functioning of the bank, its prosperity and progress. Difficulties arise particularly due to the temperamentally differing customers, their unexpected demands and moods. It is really hard to cater to the multifarious demands of these customers. As a result, stressful situations arise. Owing to increased levels of stress, the employees may become dissatisfied. Environment, emotional attitude with their work. Discontentment and dissatisfaction may also mount up due to organisational factors such as lack of freedom to work, bypassing of promotional opportunities, absence of due recognition or appreciation, lack of cordial relationship among the staff, etc. Hence, an attempt is made to analyse the personal and organisational factors that influence the job satisfaction of employees working in restaurants.

## OBJECTIVES

- To know the employees' work condition in restaurants.
- To study the socio-economic factors influence employees' satisfactions.

## REVIEW OF LITERATURE

- Varshney and Blum (2002) expressed that job satisfaction is a general attitude which a worker possesses as a result of many specific attitudes namely specific job factors, individual adjustment and group relationship outside the job.
- Singa and Agarwal (2003) have stated that job satisfaction occurs as a persistent effective status, which has arisen in individual as a function of the perceived characteristics of his job in relation to his frame of reference.
- Marvey (2004) states that satisfaction means the simple feeling that campaigning attainment of any goal, the end state in feeling the attainment by an impulse of its objective and satisfied means any stimulus situation (or) experience, which meets a need (or) represent a goal

## STATEMENT OF THE PROBLEM

Job satisfaction is all about how one feels about (or towards) one's job. An employee who expresses satisfaction is said to have a positive attitude towards the job, unlike a dissatisfied employee who has a negative attitude towards the job. Most of the worker working in restaurants have facing these problems, they are no social security, no guaranteed minimum wages, working women – issue of harassment at work place, low literacy among them, low incomes will they work for overload. These are problems faced by the employees' working in restaurants. To overcome this issues the restaurants cares about the employees' if whether satisfied or not. So, overcome this problem restaurants have focus on their employees' attitude.

## RESEARCH METHODOLOGY

- Descriptive research design is used in this study.
- Sampling method used for the study is convenient random sampling.
- Primary data was collected from restaurants in rajapalayam. Secondary data was collected from various journals, book and website.
- Sample size is 150. There are 150 employees from restaurants are taken for the study.
- Statistical tools such as percentage analysis, T-test, correlation, Two-way ANOVA were used.

## PERCENTAGE ANALYSIS

Demographic Factors	Category	Percentage of the respondents
1. Gender	Male	96
	Female	54
	<b>Total</b>	<b>150</b>
2. Education Qualification	Uneducated	73
	School	60
	Certificate course	10
	Diploma	7
	<b>Total</b>	<b>150</b>
3. Occupation	1-3years	18
	4-7years	46
	8-15years	56
	above15 years	30
	<b>Total</b>	<b>150</b>

**Correlation**

**Hypothesis:**  $H_0$  there is no significant relationship between the personal satisfaction from the work place and Quantity of work allotted

	Highly satisfied	Satisfied	Neutral	Dissatisfied	Highly dissatisfied
Personal satisfaction in work place	15	37	55	25	18
Quantity of work allotted	30	20	38	56	6

	X	Y	(X)2	(Y)2	XY
	15	30	225	900	450
	37	20	1369	400	740
	55	38	3025	1444	2090
	25	56	625	3136	1400
	18	6	324	36	108
Total	150	150	5568	5916	4788

Calculated value is = 0.23

Calculated value is less than table value so the project is accepted. So there is no significance relationship between the personal satisfaction from the work place and Quantity of work allotted.

**Two-Way ANOVA**

**Hypothesis:**  $H_0$  there is no significant relationship between the years of experience and working conditions provided by organization.

Years of experience	Highly satisfied	Satisfied	Neutral	Dissatisfied	Highly dissatisfied	Total
1-3 years	4	4	0	3	7	18
4-7 years	5	14	0	4	23	46
8-15 years	8	15	3	5	25	56
> 15 years	6	8	2	4	10	30
<b>Total</b>	23	41	5	16	65	150

**TWO WAY ANOVA TABLE**

Source of variation	Sum of square	Degrees of freedom	Mean sum of square	Ratio of f
Between sample(column)	554	4	138	1378/14=9.86
Between sample(rows)	170	3	57	57/14=4.07
Residual (or) error	175	12	14	
Total	899	19		

Calculated value = 9.86, 4.07      Table value = 3.26, 3.49

Calculated value is greater than table value so the project is rejected. So there is a significance relationship between the years of experience and working conditions provided by organization.

**T-TEST**

**Hypothesis:**  $H_0$  there is no significant relationship between the hotel industries cares about the employees and relationship between the management and their employees.

Source of variance	Highly satisfied	Satisfied	Neutral	Dissatisfied	Highly dissatisfied
Hotel industry cares about the employees	15	26	30	61	18
Management-Employee Relationship	37	19	50	30	14



	X1	X1- $\bar{X}$ 1	(X1- $\bar{X}$ 1) <sup>2</sup>	X2	X2- $\bar{X}$ 2	(X2- $\bar{X}$ 2) <sup>2</sup>
	15	-15	225	37	7	49
	26	-4	16	19	-11	121
	30	0	0	50	20	400
	61	31	961	30	0	0
	18	-12	144	14	-16	256
<b>Total</b>	150	0	1346	150	0	826

$$S = \sqrt{\frac{\sum(x_1 - \bar{x}_1)^2 + \sum(x_2 - \bar{x}_2)^2}{n_1 + n_2 - 2}}$$

Calculated value = 16.47

Table value = 2.306

Calculated value is greater than table value so the project is rejected. So there is significance relationship between the hotel industry cares about the employees and relationship between the management and their employees.

### FINDINGS

- 55 (36%) of the respondents are neutral about personal satisfaction from the work place.
- 56 (37%) of the respondents are dissatisfied about Quantity of work allotted.
- 65 (43%) of the respondents are highly dissatisfied about working conditions provided by organization.
- 61 (41%) of the respondents are dissatisfied about hotel industry cares about the employees.
- 50 (33%) of the respondents are neutral about the relationship between the management and their employees.

### SUGGESTION

- Working atmosphere should be conducive to enhance the employees' work efficiency. Enough lighting and ventilation facilities should be arranged because employees are mainly engaged in clerical work. Convenient seating facility, pure drinking water, canteen and rest room facilities should be provided to the employees to refresh themselves for personal satisfaction from the work place.
- Working conditions in terms of flexibility, workload and working hours should be tuned in such a way that they do not serve as barriers in maintaining work life balance which is essential for individual and social development.
- The management should encourage free two-way communication for smooth work culture.
- The management may conduct job satisfaction survey at least once in two years. This would enable the management to take steps to improve the employee's job satisfaction

### CONCLUSION

Job satisfaction is an important contributing factor to an organization's success. Understanding factors that contribute to an employee's job satisfaction is imperative and their organizations. From this study it was found that salary is most important factor that influences job satisfaction. So we concluded that the job one does should suit him personally and make him feel happy.

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## 24. CUSTOMER SATISFACTION TOWARDS CRM PRACTICES IN PUBLIC AND PRIVATE SECTOR BANKS IN SIVAKASI

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### **ABSTRACT**

*The Indian economy is moving so much on the right path of progress that consumers are very conscious about the quality of services made available to them. Therefore, a radical change in the marketing practices of banking is very essential. However, the needs and requirements, hopes and aspirations of the masses remained reflected till the dawn of independence. After the nationalisation of major commercial banks in 1969 and 1980, there was a shift in the approach of the bankers, that is, change from 'Class Banking' to 'Mass Banking', which led to increase in volume of clientele. The beginning of the decade 1980s, brought a significant change in the concept of bank marketing with the advent of ATMs, credit and debit cards, Auto banking etc. The public sector banks were severely handicapped, since the interference of Government made it difficult to make the services competitive. Meanwhile, the private sector banks have sizeably increased the expectation of customers by using sophisticated IT technologies. From the above facts, it is clear that banking business is now becoming competitive. Today, the customer relations with management have come under sharp focus at the customers' ends. There are several reasons for this intensified interest. First and foremost, customers are getting more and more critical of the service they receive. Many customers are not only wanting but are expecting better relations. Hence, the present study is an attempt to analyse and compare the customer relationship management in public and private sector banks in Virudhunagar district.*

### **INTRODUCTION**

The purpose of business is to create new customers and retain old customers. Customer orientation is the ultimate key to success of any business. Customer Relationship Management (CRM) is a comprehensive approach for creating, maintaining and expanding customer relationships. CRM does not just belong to sales and marketing. CRM is an intelligent blend of marketing and information technology for serving the customer with greater care and value. It is a new way of doing business covering all aspects. If any area is left out of CRM, the organisation is exposed to greater risk.

CRM is an integrated approach of dealing with customers with smart use of Information Technology. Computerisation of records, maintenance of customer data base, on-line customer service will enhance the customer loyalty apart from exploring new opportunities for cross selling/sell ups. It involves a dramatic change in the marketing strategies from products or sales-centric to customer-centric approach. CRM focuses on the total customer requirements. When any CRM strategy is implemented, it computes and analyses data about the target customers and their buying habits in multiple ways.

Relationship marketing is discovering the new and potential ways and strategies for enhancing customer's value to business. Earlier, companies focused on mass marketing. But now they are selecting their customers more carefully and building long lasting and direct relationships with targeted customers.

With the implementation of CRM business concerns do a better job at a better price to retain old customers. Competitors find it increasingly difficult to acquire new customers. As a result, today, marketers spend less time on increasing the share of market and more time in enhancing the share of customer. They offer new or improved products to current customers and train employees to cross-sell and up sell in order to market more products and services to existing customer.

### **BANKING SECTOR SERVICES**

Banking is a service industry. The product manufactured by it is a service, which is multi-dimensional in nature. Banking institutions are no longer expected to act as traditional mobiliser and deployer of financial resources in a particular country. Now they have to act as catalyst of change in the service sector. On account of globalisation and liberalisation, several sweeping changes have taken place in the financial sector. Since mid-1991, in India, there has been many financial reforms like deregulation of interest rates, dismantling of directed credit, *etc.* These economic reforms have created ample opportunities and challenges to financial intermediaries. The present banks, besides devising a suitable package of services not only to the domestic users of services, have to face the challenges of formulating an appropriate package of financial services useful to both domestic and international users.

The formulation of marketing mix is directly or indirectly influenced by changing behaviour of the users. A gradual change in the users' behaviour is a natural phenomena as multi facet developments in the socio-economic condition affect their mental condition. Either the general users or the industrial users can not overlook the impact of socio-economic transformation on their needs and requirements. The growing rate of literacy, expanding avenues for job creation, changing environmental conditions, Governmental regulations, sophistication in communication, innovation in education and a number of allied factors govern the behaviour of users. It is essential that a marketer is aware of all these developments so as to make the marketing decisions productive or effective.

### **STATEMENT OF THE PROBLEM**

Customer Relationship Management (CRM) is defined as a business strategy geared towards acquiring, retaining and growing more profitable customers. For the retention of customers, companies have strived for pleasing the customers by maintaining databases of all the customers and to speak individually to countless customers. In bank, a service sector, customer service should not only be considered as a function, but a way of life also. A bank's success depends on how much it fulfills customer needs. Therefore, the bank should be customer oriented to meet challenges to today's competitive environment.

Customers' needs and expectations change from time to time, since it is highly dynamic with respect to societal influence. Today's customers are aware of their needs. Entry of new branches of foreign banks in India and their better services to customers have increased customers expectations of same quality of services from Indian banks. So, it is the time for Indian banks to innovate new products and services also refine the existing services.

A way to remain competitive in the more and more complex banking environment is the use of CRM concept. Trust is one of the basic antecedents to achieve loyalty. Another factor that has an impact on customer loyalty is satisfaction. In addition an employee must also achieve both trust and satisfaction in the bank where he serves, since employees will influence how a customer feels towards the bank. So, a sincere attempt will be made by the researcher to analyse the efforts taken by the banker to create employee satisfaction and loyalty as it play a prominent role to influence customer satisfaction and loyalty. Further, a similar attempt will be made at customer side. Thus, the complete evaluation of customer relationship management in banking sector is being undertaken. Particularly, this study is focused at Virudhunagar district as this is an important industrial as well as commercial sector in southern belt of Tamil Nadu, India.

## OBJECTIVES

The specific objectives of the study are:

1. To study the overall structure of banks and their working performance.
2. To analyse the profile of the selected customers and their perception towards customer relationship management.
3. To identify the dimension of perception towards customer relationship management.
4. To offer suitable suggestions to improve the customer services of the banks based on the findings.

## METHODOLOGY

A Study of his nature required the selection of a suitable place Virudhunagar District has been related source to the researcher belongs to this area.

### Sources of Data:

The study is based on both primary as well as secondary data. The primary sector Banks and customers of both type of Banks in the Virudhunagar district, with the help of Pre-tested interview schedules. Virudhunagar district Covers the area such as Virudhunagar, Rajapalayam, Srivilliputtur, Sivakasi, Kariapatti, Thiruchuli, Arupukottai and Sattur for the purpose of evaluating the effectiveness of the questionnaire, it has been circulated to bankers and customers.

The secondary data have been collected from bank documents. The researcher also read carefully many books, reports and journals containing useful information for collecting secondary data.

### Sampling Design

In the present study, the researcher has selected total of 50 customers in Virudhunagar District. It is observed that total of 96 bank branches in this district on which, 69 are public sector bank branches and 27 are private sector bank branches. However, in the present work, total of 25 customers each in public and in private sector banks were taken to get the primary data.

## TYPE OF ACCOUNTS AND LEVEL OF PERCEPTION

Level of perception may also depend upon the type of account of the respondent. Hence, an attempt is made to study the relationship between type of accounts and level of perception of the respondents. The type of account of the sample respondents and their level of perception are shown in Table 1

**Table 1: Association Between Type of Accounts and Level of Perception**

Type of Accounts	Public Sector Banks				Private Sector Banks			
	High	Medium	Low	Total	High	Medium	Low	Total
SB	6 (54.55)	5 (55.56)	2 (40.00)	13 (52.00)	4 (44.44)	5 (55.56)	2 (28.57)	11 (44.00)
RD	1 (9.09)	1 (11.11)	1 (20.00)	3 (12.00)	1 (11.11)	1 (11.11)	1 (14.29)	3 (12.00)
FD	1 (9.09)	2 (22.22)	1 (20.00)	4 (16.00)	1 (11.11)	1 (11.11)	2 (28.57)	4 (16.00)
CA	3 (27.27)	1 (11.11)	1 (20.00)	5 (20.00)	3 (33.33)	2 (22.22)	2 (28.57)	7 (28.00)
Total	11 (100)	9 (100)	5 (100)	25 (100.00)	9 (100)	9 (100)	7 (100)	25 (100)

Source: Primary data.

Note : Figures in bracket represent percentage to total.

SB – Savings Account, RD – Recurring Deposit, FD – Fixed Deposit, CA – Current Account.

From Table 1, it has been revealed that in the case of public sector bank, out of 11 respondents with high level of perception, majority of them [6 (54.55 per cent)] have savings bank account followed by 3 (27.27 per cent) with current account, 1 (9.09 per cent) with fixed deposit and 1 (9.09 per cent) recurring deposit. In the case of medium level of perception out of 9 respondents, majority of them [5 (55.56 per cent)] have savings bank account followed by 2 (22.22 per cent) have Fixed deposit account, 1 (11.11 per cent) have Current account and 1 (11.11 per cent) have recurring deposit. Out of 5 respondents with low level perception, majority of them [2 (40.00 per cent)] have savings bank account followed by 1 (20.00 per cent) with current account, 1 (20.00 per cent) with recurring deposit and 1 (20.00 per cent) with fixed deposit, respectively.

In the case of private sector bank, out of 9 respondents with high level of perception, majority of them [4 (44.44 per cent)] have savings bank account followed by 3 (33.33 per cent) of them have current account, 1 (11.11 per cent) have fixed deposit and 1 (11.11 per cent) of them have recurring deposit. In the case of medium level of perception, out of 9 respondents, majority of them [5 (55.56 per cent)] have savings bank account followed by 2 (22.22 per cent) with current account, 1 (11.11 per cent) with fixed deposits and 1 (11.11 per cent) with recurring deposit. Out of 7 respondents with low level of perception, majority of them [2 (28.57 per cent)] have savings bank account followed by 2 (28.57 per cent) of them have current account, 2 (28.57 per cent) of them have fixed deposit and 1 (14.29 per cent) of them have recurring deposit, respectively.

In order to test the relationship between type of account and level of perception of sample respondents, the following null hypothesis is formulated: "The level of perception is independent of the type of account". The Chi-square test is applied to examine the null hypothesis and the computed results are given in Table 2.

**Table 2: Type of Accounts and Level of Perception Chi-Square Test**

Particulars	Public Sector Bank	Private Sector Bank
Calculated value	16.4173	4.2248
Table value at 5 per cent level	13.691	13.691
Degrees of freedom	6	6
Inference	Significant	Not Significant

Table 2 shows that in the case of public sector banks, the calculated value is greater than the table value. Hence, the null hypothesis is rejected. Therefore, it could be inferred that the type of account does influence the perception of the respondents.

In the case of private sector banks, the calculated value is less than the table value. Hence, the null hypothesis is accepted. Therefore, it could be concluded that the type of account does not influence the perception of the respondents.

## FINDINGS

- It is inferred from the discussions that all the four selected banks are well established and implemented all sophisticated requirements for customers.
- Regarding the working performance, the branch expansion has been increased steadily over a period under study in almost all the four selected banks. The fluctuation in expanding branches was found high in ICICI bank followed by TMB. It is inferred from the analysis that a less stability is observed in private sector banks than public sector banks. But at the same time, a high growth in expanding branches is observed in private sector compared to the public sector. The growth rate is 12.25 per cent for ICICI Bank, 11.25 per cent for TMB, 9.79 per cent for IOB and 5.47 per cent for SBI.
- The trends are statistically significant and positive. A high growth rate is found in savings deposits (29.24 per cent) followed by current deposits (26.55 per cent).

- In the case of SBI, the percentage of achievement to target varied from 68.34 per cent in 2000-01 to 80.63 per cent in 2006-07. The growth rate of target and achievement was 20.20 per cent and 24.56 per cent, respectively.
- The analysis of credit-deposit ratio revealed that the ratio of IOB fluctuated while it showed a steady increase in SBI during period under study.
- The analysis reveals that the majority of the sample customers come under the high level perception on customer benefits in public sector banks. Whereas in the case of private sector banks, majority of the sample customers (10 out of 25) belong to medium level perception.
- In the case of relationship between age and the level of perception, the Chi-square test reveals that the age does not influence the level of perception of the customer towards benefits.
- It is inferred from the analysis that the majority of the respondents are male in both public and private sector banks. The Chi-square test reveals that sex is independent of the perception level.
- About 86 per cent are married and marital status of the respondents in no way affect their perception towards CRM.
- The Chi-square test shows that the educational qualifications do not influence the perception of the customers.
- The Chi-square test reveals that there exists a relationship between occupation and level of perception in public sector banks. Whereas in the case of private sector banks, occupation does not influence the level of perception.
- The chi-square test reveals that location of the residence does not influence the level of perception of both public and private sector bank customers.
- The test of sampling adequacy for administering Factor Analysis reveals that the factor analysis is an appropriate technique for analysing the data.

In the case of public sector banks, the variables with highest factor loading for the perception of customers towards CRM are:

- The selection of bank is influenced by the range of services (0.7432)
- The interest rate offered for F.D. is high (0.7131)
- The customer always feels that borrowing from the bank is more easy (0.6812)
- Bank normally accepts installment repayment method (0.6612)
- Collection of cheque (0.6136)
- All the services are done quickly (0.5872)
- The bank is easily accessible (0.5972)

The identified seven dimensions are

- Selection of bank and opening of an account
- Interest on deposits and loans
- Borrowing from bank
- Repayment of loan and recoveries
- Non-material services offered by bank
- Time taken by banker to offer services and charges
- General Utilities provided the bank

In the case of private sector banks, the identified dimensions are the same as the public sector banks. The variable with highest factor loading for each dimension is

- The customer selects a bank based on the basis of quality of services offered .
- The interest rate on the loan and advances are low.
- For getting a loan the customer is required to undergo many formalities
- The number of instalment is normal.
- ATM facilities,

- Customers are satisfied with the existing services,
- The bank business hours are convenient to customers.

The dimension-wise comparison of the consistency in perceptions between public and private sector banks reveals that the interest on deposit and loans for public sector and general utilities provided by the bank for private sector are found to be consistent in perception.

The higher mean score received by the dimension is selection of bank and opening of an account for public sector bank whereas in the case of private sector, general utilities provided by bank.

The t-test is carried out to examine the difference in perception. It is revealed that out of seven dimensions, bank customers have differed significantly only in three dimensions *viz.*, 'interest on deposit and loan', 'repayment of loan and recovery' and 'non-material services offered by the bank'.

The Spearman's Rank Correlation coefficient( $r$ ) reveals that the relationship of perceptions between public and private sector is positive and statistically significant.

### **SUGGESTION**

The following suggestions are offered for improving consumer relationship management, as emanated, from the research findings and also from the interactions the researcher had with the respondent bankers and customers.

#### **Implementation and Overall Strategy of Quick Transaction of Business**

It has been found from the study that both the bankers and customers perceive quick transaction of business as a powerful strategy for successful banking and creating customer satisfaction. Therefore, this strategy should be implemented by all banks.

#### **Developing Comprehensive Customer Information System**

The study shows that customer satisfaction, *viz.*, depositors' satisfaction and borrowers' satisfaction levels vary according to their demographic characteristics and banking services usage characteristics. Taking advantage of computerisation and technological up gradation banks need to develop customer information system at branches, so as to know the customer better and understand his needs accurately. Data base on various aspects of customers like age, educational qualification, income level, frequency of transactions, type of account, size of account and purpose of account holding should be created, which will help in providing feed back for anticipating customer needs.

#### **Enforcing Price Variations**

It is found from the study that bankers and customers favour varied service charges. So, as in the case of foreign banks, posts, railways, hotels, *etc.*, higher service fees for efficient and personalised service to those who are willing to pay higher service charges should be enforced in public sector banks as a step for improving quality of customer service.

#### **Use of Sophisticated Communication Devices**

Sophisticated communication devices like fax, telex, e-mail, *etc.*, should be used in public sector banks which will help in delivery and satisfactory services to customers.

#### **Technological Innovation**

Technological innovation should be harnessed for evolving speedy and efficient system with specific focus on cutting delay in collection of cheques and delay in sanctioning of loans, so as to remove a major irritant in the way of improved customer service. In this process, computerisation and training the staff in computer application will help in improving customer satisfaction.

#### **Training to Staff**

As regards attitudinal grievances banks should wake up to the behavioural deficiencies of its employees and train them to become competent in imparting good customer service. Existing training systems are hardly useful and training is not considered

the top most priority in most public sector banks. So, training programmes should be made more effective.

### **Making Complaint and Suggestion Box Scheme and Customers Meet n More Operate**

The study reveals that complaint and suggestion box scheme and customer meet are common areas of customer dissatisfaction, because of the non-operation of the schemes and the scant attention paid to these two schemes by the banks. So, it is imperative to make them operational.

### **Provision of Separate Seating Facility for Women Customers**

It is found that women customers of the bank are on the increase, while no separate seating facility is provided by the bank for women customers. Separate seating facility will make women customers feel at ease when they have to wait for a long time at the bank premises to get their work done.

### **'May I Help You Counter' should be manned**

Urban bank branches have "May I Help You Counter" but it is unmanned. It is therefore suggested that this counter should be manned during banking hours so that queries can be made by customers.

### **Mobile Banking**

It is found from the study that there is the need for more rural branches. Mobile banking system should be followed for the convenience of rural customers. Rural market is one area whether public sector banks can score over private sector banks.

### **CONCLUSION**

The researcher's aim throughout the study has been to examine the customer relationship management in both private and public sector banks in Virudhunagar district. Customers are most important assets of any business. The success and failure of any business depends upon how far they satisfy the expectation of their customers. Banks are important social organisation rendering various financial service to its customers. Realising the importance of customer service in banks, recommendations are made by various committees to improve the services quality of banks. The nationalization of major commercial banks has led to 'Mass banking' which in turn increase the volume of customers. The increase in volume of customers automatically leads to deterioration in quality of customer services.

Banking business is now becoming more competitive, and the customer benefits have come under sharp focus at the customer's end. There are several reasons for this intensified interest. The important one is, customers are getting more and more critical of the service they receive. Many customers are not only wanting, but are expecting more and more better service.

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## 25. A STUDY ON ELECTRONIC HUMAN RESOURCE MANAGEMENT IN BANKING SECTOR-SUCCESSFUL SUSTAINABLE MANAGERIAL FUNCTION

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### ABSTRACT

*E- HRM is the process of transmission of digitalized Human Resource information. E- HRM is a technique of executing Human Resource (HR) plans, policies, and practices in an organization. In the present times, a number of organizations have replaced Human Resource Management activities with e- HRM in their business. The process of e- HRM has played an efficient role in increasing the overall Human Resource capabilities of management. HR practices and performances are significantly important to the firms' competitive advantages in the knowledge-based economy which is changing rapidly. HR strategy, practices, and policies can be implemented by the use of e-HRM. Therefore, HR activities are supported by the e-HRM technology to fulfill the organization's HR requirements through the web-technology-based channels. By the use of e-HRM, a portal enable employees, HR professionals, and managers to observe, analyze, and alter information which is related to HR managing in the organization. Cheapest and fastest way to make HR activities available is self-service e-HRM characteristics but the investment to be made HRM kind of technologies is high.*

**KEYWORDS:** HR strategy, Negotiation, Portal, Critical thinking.

### INTRODUCTION

Electronic Human Resource Management (e-HRM) is the process of using Internet and related technologies to support their activities by the HR department. It is the complete integration of all HR systems and processes based on common HR data and information and on interdependent tools and processes. Fully developed e-HRM could provide the data gathering tools, analysis capabilities and decision support resources for HR professionals to hire, pay, promote, terminate, assign, develop, appraise and reward employees in ways that fully engage them in managing their own outcomes, maximize the contribution of each employee and support execution of firm's strategy. Electronic HRM is the new technological tool which is gaining widespread importance within banking sector. It proves to be beneficial in many aspects among which, the major ones are to make organizations go paperless, be more proficient and competent, and become more adaptable to the contemporary needs. Internet technology, especially the World Wide Web, in the last two decades has helped transform many HR processes and practices such as, recruitment, selection, performance management, compensation and many more in a positive way.

### REVIEW OF LITERATURE

**Hemant Rao (2017)** emphasized the changing role of HR. There was dramatic change in HR during past five years. This study shows the significant role of human resource managers in various areas like Empowerment of workers, Business process Reenergizing, Total Quality management, Humanization of work, and Quality of work life. It was the challenge of HRM to balance the impact of liberalization and globalization on productivity. Earlier the role of Personnel department was to give advice or support when asked but the changing professional employment scenario emphasized the role of HR professional while dealing with employees.

**Bondarouk & Ruel, (2015)** defined e-HRM as —A wide term covering all possible addition mechanisms and contents between Human Resource Management and information technologies, aiming at creating value within and across organizations for targeted employees and management.

### **E-HRM in Banking Sector**

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. E-HRM practices, selected solutions offer a multifaceted capability to significantly increase in banking sector to manage operational performance (Time, Cost, Quality of service, and flexibility). Electronic Human Resource Management has made the job much easier for both the companies and the job seekers. E-HRM is based on more systematic & technology theorem, which helps the HR department to scrutinize employee performance carefully & accurately. It helps in imparting any HR policy; keep a track on employees daily activity report (DAR), efficiently helps the employees in promotion & transfers. The E-HRM technology provides a portal which enables managers, employees, and HR professionals to view, extract, or alter information which is necessary for managing the HR of the organization. The rapid development of the Internet during the last decade has boosted the implementation and application of Electronic Human Resource Management.

### **OBJECTIVES OF THE STUDY**

1. To know the importance of e-HRM in banking sector.
2. To study the level of satisfaction of the respondents towards e-HRM in the banking sector.
3. To provide the possible suggestions to the study.

### **NEED OF THE STUDY**

1. To meet the goal of Vision 2020, Electronic Human Resource Management (e-HRM) is one of the essential part for the development of human capital in the banking sector. It plays a vital role in the context of global arena.
2. The role of e-HRM in the sector enhances the administrative efficiency and cost reduction strategy.
3. A decisive step towards a paperless office, higher speed of retrieval and processing of data.
4. More consistent and higher accuracy of information, report generation and fast response to answer queries.

### **RESEARCH METHODOLOGY**

**Research Design:** It is both descriptive and analytical in nature. It has made an attempt to study about the level of satisfaction of the respondents towards e-HRM in the banking sector.

**Sampling Procedure:** The study has been conducted among the bank employee working in government and in private banks in Madurai. The pilot study has been conducted from 25 bank employees to confirm the efficacy of the questionnaire. Based on the feedback on the pilot study, certain modifications were carried out. By adopting simple random sampling method, 100 respondents have been collected.

**Sources of data:** The present study is based on the primary data collected from bank employees. Secondary data are collected from various journals, magazines, newspapers, articles, books and websites.

**Collection of data:** A structured questionnaire was used for collecting data.

## **FINDINGS**

### **Use of E-HRM**

1. 56% of the respondents have strongly agreed they are recognizing the positive impact on the usage of E-HRM and 41% of them have agreed and 3% have moderately agreed regarding this point.
2. 49% of the respondents have strongly agreed regarding implementation process on learning and where 41% of them have agreed and 10% of them have moderately agreed regarding this point.
3. 27% of the respondents have strongly agreed that more transparency in the system where 53% of them agreed and 18% of them moderately agreed and 2% of them have disagreed.

### **Role of E-HRM**

1. 42% of the respondents have strongly agreed that members are interested and satisfied in development and 42% have agreed and 16% have moderately agreed.
2. 44% of the respondents have strongly agreed that their Increasing productivity and 43% have agreed and 12% have moderately agreed.
3. 51% of the respondents strongly agreed that there is establishing of streamlined, standardized and systematic procedure recognizes staff members contributions to sustainability and 32% have agreed whereas 17% have moderately agreed.

### **Productivity**

1. 49% of the respondents have strongly agreed that E-HRM focuses on cost saving and control and 42% have agreed and 9% have moderately agreed.
2. 48% of the respondents have strongly agreed that it reduces paper transactions whereas 39% of them have agreed and 13% have moderately agreed.
3. 58% of the respondents have strongly agreed that there is a Better management of data and information whereas 28% of them have agreed and 14% have moderately agreed.

### **Cost Efficiency**

1. 49% of the respondents have strongly agreed that the use of E-HRM tools is more cost effective than traditional, manual HR practices and 42% have agreed and 3% have moderately agreed and 6% have disagreed.
2. 35% of the respondents have strongly agreed that significant reduction of administrative burden whereas 48% of them have agreed and 15% have moderately agreed and 2% have disagreed.
3. 50% of the respondents have strongly agreed that it reduces duplication of efforts whereas 33% of them have agreed and 16% have moderately agreed and 1% have disagreed.

## **CONCLUSION**

Banking sector is the core of Indian economy. Information systems have become an indispensable part of the banking industry. As per Prime Minister Vision of cashless India, the need of incorporating E-HRM practices in this sector has emerged. Going for EHRM Practices would emphasize empowerment, team-working and learning. So, creating a flexible organization, lower levels of formalization, and allowing autonomy would go a long way in making of a paperless and burden-less organization.

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## 26. STRATEGIC APPROACH IN USAGE OF ELECTRONIC CUSTOMER RELATIONSHIP MANAGEMENT (E-CRM) IN BANKING SECTOR

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### ABSTRACT

*The purpose of this study is to preface study about the role of electronic customer relationship management in creating loyalty and retention of customers in Indian banking sector. This study will begin with a setting of the research focus which will be a study within the field of electronic customer relationship management and its influences on customer satisfaction, loyalty and retention. This study is sustained by aspects which are essential as customers' point of view to analyze the relationship of all aspect. In order to accomplish this purpose, the study spotlights on analyzing the developed theoretical model from customers' viewpoint. The results are suggested that all e-CRM marketing plans (direct mail, interpersonal communication, preferential treatment, tangible rewards and etc.) contribute significant tasks in constructing the good relationship with customers'. There were also all are important relationships between the e-CRM banking plans and customer relationship quality.*

**KEYWORDS:** E-CRM, Relationship Quality, Banking industry, direct mail, interpersonal communication, preferential treatment, tangible rewards

### INTRODUCTION

In today's world, a bank can continue to exist only if they can handle to keep its customers happy and satisfaction.

- The e-CRM provides the facility to confine, combine, and dispense data achieved at the organization's website right through the bank.
- The rationale of electronic customer relationship is to serve the customer in superior approach to keep hold of precious customer and augment critical facilities in the bank.
- Promising most recent and top class accomplishment to customers.
- Building a good customer atmosphere and using other means to sustain customer concentration have at the moment developed into the top priorities for at all bank that desires to build it immense in the market.
- As an importance banks exceptionally have to provide customers a high-quality in trouble-free online atmosphere.

### CUSTOMER RELATIONSHIP MANAGEMENT

CRM (Customer Relationship Management) refers to all marketing performances expected at ascertaining, developing and maintaining successful customer relationships.

#### E-CRM

The E-CRM is the improvement of developing sales to the existing customer, promoting constant relationships throughout the uses of digital communications technologies such as functioning databases, tailored web messages, Customer Service, Email and Social Media Marketing.

It morphs into the capability of overseeing online conversations between customers, appealing existing customers, approaching customers and other stakeholders in order to construct long-lasting relationships. CRM is at the present critical for e-Business.

### **E-CRM in Indian Bank**

Customers are the three essentials on which centre the achievement of banking in the quick changing economic environment. The eventual performance of a bank depends ahead the satisfaction of its customers. They reflection in the rising aggressive and technological driven banking era, banks have to struggle hard for maintaining and expanding their customer base. E-CRM, which is the newest buzzword in the corporate sector, is supposed as one of the successful tool in this direction by the banks. Its highlighting is on defining the customers as precious in the lasting and on screening customer relationships as learning relationships. They analyzed the discernment of E-CRM in Indian banks from its various dimensions covering specifically it's require, process, present status and future prospects. In the first step, they investigated current status of E-CRM in Indian Banks and then looked for e-CRM techniques which used by Banks in India. On the other hand, as currently internet have enabled banking at the click of the mouse, they wanted to investigate that Click and Brick is the right method for Indian bank or not. There are five functional categories for online banking sites on line brochure centre, interactive bank, e-mails, calculations and cyber banks, which offer customers access to account information, inter-branch funds transfer and utility bill payments. Banks must build their brand image in assuring customers about the safety of their money and security of transaction on the Net.

Most useful e-CRM technologies which are used in Indian banks are: Internet banking, Data Warehousing and Data Mining, ATMs, Telephone banking or Mobile banking, computerized decision support system, e-mail, Computer networking and Customer smart cards. Furthermore, e-CRM based alone on Internet will seems to be a wrong strategy for banks in India.

The e-CRM facilitated through, internet is at best a zero sum game for banks. For high end products, customer cannot only rely on e-banking. For social interactions, people would like to visit their traditional brick and mortar branches. Click and brick seems to be the right model which ultimately will succeed in India. Banks in India are on the learning curve of e-CRM and are trying to meet the latent needs of the customers. The success of e-CRM will depend upon the development of robust & flexible infrastructure, e-commerce capabilities, and reduction of costs through higher productivity, lower complexity and automation of administrative functions.

#### **Scope of Social E-CRM**

- Monitoring, analysing and responding to conversations through social listening tools
- Find the best ways to get involved, influence sales and generate leads by understanding social platforms
- Develop customer relationship tools/self help/service and support
- Using CRM based conversations to enhance online offers
- Supporting collaboration within the organisation through e-Business processes
- Enhance customer experience and add value to the business

#### **Features of the E-CRM**

Shifting of customer relationship bank to bank and customer relationship marketing perspective due to a change in the concept of customer orientation will be realized only under the e-CRM and because the system is a function of various technologies, especially information technology with the development of technology has changed our relationship with the customer. In fact e-CRM helps to recruit and keep economically valuable customers through new channels and eliminate those that are looking for a low interest.

In other words, e-CRM banks to implementing the tools for personalized interactive communications with customers through traditional channels and is equipped with modern electric. As a leading bank that State Bank of India computer equipment are recognized in the banking leader and activist the concept of customer relationship and e-CRM capabilities

made it possible customers to visit the bank website the net banking, specifications, dimensions and etc. of products and know their orders through the system to apply. Banking Sector is active in the field of banking facilities using e-CRM in addition to providing direct relationship with the customer in obtaining information online features and the types of products the bank plans to allow its customers the models are designed to perform desired and the transfer line.

This approach affects multiple aspects of the banking concepts, the bank's unique competitive advantage and succeeds in making personal and specific to a particular customer relationship is formed. The e-CRM level of personalization can be achieved with CRM is virtually impossible, this will facilitate the provision of services to a customer.

### **Benefits of CRM**

- Reducing costs in customer targeting (customising emails on large scale therefore reducing costs for direct mail)
- Increasing the meaning of information
- Better and relevant understanding of customers and relationship dynamics
- Encouraging customer relationship/customer development and retention through loyalty programmes

### **The following benefits of using information technology in CRM**

Naturally, banks are always looking to gain and maximize your profits and operating system or tool in this regard in order to achieve sufficient advantages of the system are analyzed. The e-CRM also has several advantages, which are some of the most important points.

#### **1. Access to the "relative value" price above**

Customer service has always seek to gain the desired value is purchased or received banks tend to achieve competitive advantage the take up of for this purpose, cost reductions with lower pricing will enhance this ratio.

The e-CRM with data storage and easy re-access with the effect on storage methods and manpower in addition to increased productivity and reduced costs. Among the important factors in this regard, reduce the cost of customer care research shows that the results the cost of attracting a new customer.

#### **2. Increase Sales**

The process of information gathering stage customer banking decision e-CRM strictly comply with the requirements of act and most valuable information is being provided for customers also noteworthy is the importance of the customer to buy the time, so that the customer provides a pleasant shopping experience easier. In a survey reported that 60 percent of customer's easy shopping centres did not want to buy again. Accordingly, the e-CRM all the information, including an order, insertion orders, ideas, and received the product or service makes it easier and enjoyable, so natural consequence of this system would be expected to increase profits.

#### **3. Customer Satisfaction, Loyalty and Retention**

Maybe customer satisfaction, loyalty and retention are the main outcome measure used in e-CRM sales promotion activities a bank this directly results in increased profitability and ensure effective the banks are considered as a powerful competitive advantage.

Because electronic customer relationship systems the principle is contained in multiple databases therefore, to obtain records of customer transactions and the previous is invoked and provides useful information to the customer. Facilitate affairs associated with banks and private facilities and help customers make quick decisions are customer's loyalty factors. Some banks in visit customer's bank site to purchase a particular product propose others items that customers with similar interests have done that in total leads to feel value in customer and increasing loyalty.

#### **4. Eliminate middlemen**

When customers and sellers are online directly connected, the role of intermediaries is very pale. Eliminating middlemen characteristics of e-business is taken into account. In these systems, customer is able to connect to a central booking system. This enables organizations to automate the booking process. Complaisance reduces the cost and does not require the expensive physical equipment. Prepared some favourites that have stated previously make them excited and add to their satisfaction.

#### **5. Internet the most prominent aspect of E-CRM**

The communication network is the product of the world's largest Network that it will be used more internets. That both banking sectors and people who use it is perhaps as an invisible flexible network based e-CRM introduced. The use of the aim is to improve customer satisfaction.

Internet Technology in fact is the supportive tools of bank processes which can e-mail to cover customer database and channels of communication between customer and bank must complete. Supposed to paying Czech or get cash out of the bank maybe someday seemed impossible but now the customer banks not only is it possible but in line with ongoing communication and effectively with their customers, private bank customers have designed on the one hand due to the fast process is attractive to customers and the bank actually serve as a banking officer puts their targets.

#### **Web-based tools used in relationship with customers**

Some Internet tools used in e-CRM: the fact that websites with extensive facilities in order to provide communication including discussion boards, online stores and etc.

#### **Electronic posts:**

In fact, the traditional posts more effectively in the virtual world plays and obviously the necessity to respect the privacy avoidance of occasional interventions needed by banks. The most of the research findings indicate effectiveness of the use of electronic posts in compared to the telephone

#### **Forums:**

The groups are integrated in cyberspace that mainly based on common interests in the discussion boards are present for example, an Internet search for information about attributes of a service, we encounter with a significant number of comments provided that such associations, presence of banks in this forum and obtain customer's views critics and advocates of a service provides an opportunity until without certain charge be aware of potential problems of their service and attempt to resolve the deficiencies.

#### **E-CRM and Challenges**

It seems that the main challenges to deploying e-CRM in the scope of the problems facing software systems in particular, the web-based is impacted these will be more challenging, especially in India. According to the latest data released the Ministry of Communications and Information Technology there are 23, million Internet users represents approximately 30% of the diffusion coefficient and according to data from the International Telecommunications Union, the members of one of the all states with the most population in the world. This technology is expected to help the business. Nevertheless while e-CRM the fast and low-cost things and satisfaction of emphasizes internet speed is very low as the main communication tool and often is boring. In many cases, an online shopping finally, does the frequency and start the purchase process the completion of data fields it is frustrating. The cost of using the Internet not commensurate with the location and the services provided are not restrictions also apply to high-speed internet and enjoy views. The other important security thread list and the banks especially since the introduction of Internet and online purchases are considered a new experience so the risk of data theft is probable.

## CONCLUSION

- \* Today, in order to maintain competitiveness, all banks are looking for ways of developing maintenance, stability, accuracy and timely collection of customer and service information during the banking are to fulfil these demands intelligent tools processor and at the same time low costs are needed that has found in e-CRM.
- \* The e-CRM is intelligent interpretation of endless possibilities that provided by information technology and local banks and organizations.
- \* Regardless of the many benefits of e-communication with customers in the future are forced to join the groups of e-CRM users otherwise, the competition will be awarded.
- \* Customer interaction and satisfaction is found to be a key advantage provided by banks using e-CRM. Convenience is a key gain offered to the customers of the banks.
- \* Reliable employees, availability of the latest information technology were some of the extra benefits provided by banks to its customers. Trust in the overall services of the organization is an important advantage provided to the customers.
- \* However, the success of e-CRM in the banking sector will depend upon the development of vigorous & supple infrastructure, e-commerce capabilities, and diminution of costs through higher efficiency, lower complexity and automation of administrative functions.

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## 27. WORK LIFE BALANCE OF WOMEN EMPLOYEES IN TEXTILE SECTOR WITH SPECIFIC REFERENCE TO SPINNING INDUSTRY IN TAMIL NADU

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### ABSTRACT

*Work-family conflict is defined as a non-compatibility arising between job roles and family responsibilities, resulting from the stress associated with each role leading to decreased performance effectiveness in both roles. Work-life conflict is envisaged as a bidirectional experience that includes work-to-life conflict on one hand and life-to-work conflict on the other. Work-life balance is based on role theory and postulates that individuals have to deal with the limited amounts of resources in terms of time and energy, to share among diverse roles. During the later part of the 20th century, married women with children entered into the labour force in huge numbers. This change, which came about throughout the industrialized world, radically altered work, family, and gender roles. Working parents today cope with demanding jobs and busy family lives and find it progressively more difficult to balance these activities. As more women — especially mothers — enter and remain in employment, the topic of work-life articulation will receive increasing consideration. Textile industry is one of the major recruiters of women employees in India and it is second only to agriculture in providing employment in India. Around 80% of the women are employed in garment sector followed by fabric and other sectors in the industry. This paper aims at pointing out that work-life balance is a key issue in both the creation and appeasement of stress among working women in the textile industry.*

### INTRODUCTION

**Work-life balance** is about creating and maintaining supportive and healthy work environments, which will enable employees to have balance between work and personal responsibilities and thus strengthen employee loyalty and productivity.

Today's workers have many competing responsibilities such as work, children, housework, volunteering, spouse and elderly parent care and this places stress on individuals, families and the communities in which they reside.

There are five main reasons why companies participate in work life balance programs: high return on investment, recruitment and retention of employees, legislation, costs and union regulations.

The textile industry in India is totally an integrated textile conglomerate involved in ginning, spinning, manufacturing denim, terry products, weaving, knitting and ready-made garments with own facility. The industry manufactures yarn and fabrics for the Domestic and International markets, maintaining high standards of quality also. There are numerous industries in case of both small scale as well as large scale sectors. As per this study, the quality of work life has six factors that give meaning to work: the purpose of work, its moral correctness, autonomy, pleasure at work, recognition and positive relationships. When employees perceive these characteristics in their job, they tend to experience psychological wellbeing and effective commitment to the organization.

## Women in Employment

During the later part of the 20th century, married women with children entered into the labor force in huge numbers. This change, which came about throughout the industrialized world, radically altered work, family, and gender roles. Working parents today cope with demanding jobs and busy family lives and find it progressively more difficult to balance these activities. As more women, especially mothers, enter and remain in employment, the topic of work–life articulation will receive increasing consideration.

Today, in India, we find more and more women in familiar as well as unfamiliar places - as heads of giant organizations, at the controls of aircrafts, in parliament, in judiciary, as police officers, doctors, engineers, teachers - the list is never ending. By tradition and throughout history, Indian women were expected to fulfill roles that defined them in relation to others only, – the kinship identities. But, increasingly, contemporary women establish independent identities and move beyond the identities of daughter, wife and mother.

### About Textile Industry

The spinning industry in India happens to be the ninth largest in the world. Following Japan, South Korea and Thailand, in 2009, India emerged as the largest exporter of Yarn. Several Indian Spinning manufacturers have spread their operations globally as well, asking for more investments in the Indian Textile sector by the MNCs. The Spinning industry encompass of producing quality of Yarn. Spinning manufacturing has come a long way in India since its beginning in late 1940s. Textile industry is one of the major recruiters of women employees in India and it is second only to agriculture in providing employment in India. Around 80% of the women are employed in garment sector followed by fabric and other sectors in the industry.

**Impact of Work life Imbalance:** Work Life Imbalance among the employees affects negatively to employees as well as organizations. Less productivity at workplace, more conflicts, absenteeism, high attrition, low morale, more stress are the major impact of work Life imbalance on the female employees working in Textile Industry.

### Work/life initiatives:

Work/life initiatives can potentially deal with a wide range of issues including:

- on-site childcare,
- emergency childcare assistance,
- seasonal childcare programs (such as March break or Christmas),
- referral program to care services, local organizations, etc.,
- flexible working arrangements,
- parental leave for adoptive parents,
- family leave policies,
- other leaves of absence policies such as educational leave, community service leaves, self funded leave or sabbaticals,
- employee assistance programs,
- on-site seminars and workshops (on such topics as stress, nutrition, smoking, communication etc),
- internal and/or external educational or training opportunities, or
- Fitness facilities or fitness membership assistance (financial).

### Benefits of Work Life Balance:

Recognized benefits of work-life balance policies for employees include:

1. Improved work-life balance – a reduction in the impact of work on home and Family life
2. Reduced stress levels
3. Control over time management in meeting work-life commitments
4. Autonomy to make decisions regarding work-life balance

5. Increased focus, motivation and job satisfaction knowing that family and work Commitments are being met
6. Increased job security from the knowledge that an organization understands and Supports workers with family responsibilities
7. Decreased Health Care Costs and Stress-Related Illnesses: With increasing company focus on the high cost of health care, work/life programs are becoming an intelligent choice to help lower the number of health care claims.

#### **Barriers or challenges to Work Life Balance:**

1. **Only paper work no implementation:** Many organizations have the policies only on paper. There is very less concern for the implementation of the policies.
2. **Lack of communication:** Communication about work/life programs is essential. Although an organization may offer a rich menu of work/life benefits, the desired Effect—yielding positive business results—is unlikely to occur if employees do not know about the programs or understand them.
3. **Team Work:** Introducing, operating and implementing work-life balance requires Collaborative working and is very much an holistic process.

#### **CONCLUSION:**

“Women constitute an important section of the workforce. However, the present situation of a large number of well-qualified women who due to various circumstances have been left out of their jobs needs to be addressed. The problems faced are several but; significantly, most often the “break in their careers” arises out of motherhood and family responsibilities.” Achieving a good balance between work and family commitments is a growing concern for contemporary employees and organizations. There is now mounting evidence-linking work-life imbalance to reduced health and wellbeing among individuals and families.

It is not surprising then that there is increasing interest among organizational stakeholders (e.g. CEOs, HR managers) for introducing work-life balance policies in their organizations. Work-life balance policies are most likely to be successfully mainstreamed in organizations which have a clear understanding of their business rationale and which respect the importance of work-life balance for all employees. Whatever the chosen course, it is hoped that this research project report will form a stepping stone in the process and provide a basis for reflection and debate on work-life balance issues in Textile Industry in Tamil Nadu.

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## 28. DIGITAL MARKETING MANAGEMENT - FUTURE PERSPECTIVE

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### INTRODUCTION

Digital marketing is the marketing of products or services using digital technologies, mainly on the Internet, but also including mobile phones, display advertising, and any other digital medium. Digital marketing's development since the 1990s and 2000s has changed the way brands and businesses use technology for marketing. As digital platforms are increasingly incorporated into marketing plans and everyday life, and as people use digital devices instead of visiting physical shops, digital marketing campaigns are becoming more prevalent and efficient.

### Digital marketing management in India

Digital Marketing industry in India is spread to almost all the business sectors. Some of the applications of E-Marketing are shopping and order tracking, online banking, payment systems and content management. The power of digital marketing allows geophysical barriers to disappear making all consumers and businesses on earth potential customers and suppliers. It is known for its ability to allow business to communicate and form a transaction anywhere and anytime. Digital marketing industry in India is a booming career today. In a country with a rapid growth economy, it is expected to have a very high significant growth in Digital marketing career. The growth in the digital marketing trends is making a very substantial impact on marketing and advertisement. The big picture of Digital Marketing industry in India cannot be complete if short preview of the past digital marketing statistics is not made.

Today, digital marketing industry in India is growing at its peak, and is still continuous. Many factors are responsible for this growth. The use of communication tools has greatly changed in the year past. No one ever thought to have a credible deal online. The below figure indicates the digital marketing statistics.

The belief was that online information is virtual information full of lies. No one could listen to any online advertisement not to talk of purchasing groceries, furniture or clothes. The story has really changed. Everything from marketing to sales can be done online. This is due to the trust that has been restored back to online communication in India. This has really helped the marketing initiatives. The revolution is from the communication industries. Low cost of handset is now available making it possible for India to have about 600 million internet users which ultimately creates a fascinating business opportunity to sell to a growing population.

### FINDINGS

- ✦ 4% of the companies already had an integrated digital marketing strategy in 2016
- ✦ 72% marketers believe that traditional model of marketing is no longer sufficient and this will make the company revenue to be increased by 30% by the end of 2017
- ✦ In 2017, 80% businesses will increase their digital marketing budget which may surpass the IT budget. Only the illiterates could not access the potentials of the digital marketing because of the accessibility to computing devices and computer education. Many of the people in this category still don't trust the method of an online payment and they lack training in English Language and other foreign languages to market online in global markets.
- ✦ The following are the channels that are playing an active role in the development of digital marketing industry in India.

### Mobile Marketing management

Digital marketing overview reveals that Social media has been playing a supporting role to marketing. Over the years, it has been noticed that 92% of social media users are from the mobile devices. This enables the size of digital marketing industries. According to the

research made by the Internet and Mobile Association of India (IAMAI, 2008), communication has become a real mass communication tools having about 286 million accounts in 2008. The Indian telecommunications market has tremendous growth opportunities and according to IMAI is projected to exceed 500 million by 2010. According to TRAI, the numbers of mobile subscriber based in India grew to 980.81 million users in the second quarter of 2015.

Adoption for the mobile device is getting higher day by day. SMS marketing is one of the true mass market media channels across many demographics before the convergence of mobile internet and mobile devices.

### **FUTURE OF DIGITAL MARKETING IN INDIA**

The future scope of the Digital Marketing industry is that there will be more points of contact. We visualize a future where advertising like the one we see on Times Square will be taking place in all cities around the World through the evolution of electronic ink technology. While all other industries are struggling with a growth rate of 5 to 10 %, digital media industry is booming high with **40%** growth rate. But the most remarkable point is that this growth rate is not going to be stagnant in the coming years.

#### **Internet and Mobile– Some Facts and Figures**

As per a recent study, although internet penetration in India is yet to cross 16% of the population, however in absolute numbers this percentage works out to nearly 10 times the population of Australia.

According to a recent report released by IMAI and IMRB, internet penetration in India has crossed the 200 million mark by October 2013. Besides, it is estimated that there will around 243 million internet users in the country by June 2014, leaving behind the US as the world's second largest internet base after China.

Moreover, India has 110 million mobile internet users of which 25 million are in rural India. Of this 5 million internet users in rural India 70% access the web via mobile phones.

Not just that India with more than 82 million monthly active Facebook users spots the third position in the world after the US and Canada and it is expected that that the country will have the world's largest Facebook population by 2016.

### **OBSERVATIONS**

1. People have started looking for more interesting and informative things on the internet that can help them create value rather than fake and made for marketing type things, hence marketing strategies will move towards creating those kind of assets.
2. Marketing objectives will try to help people get better in their business through one's own business. Creating and maintaining a network of people who are interested in one's business will be given priority.
3. As always, 'content' will be the most important aspect of digital marketing and again the nature of the content is going to be more specific and deeply researched about a topic, moving away from the perspective of "Selling" to making it more useful for the audience.
4. General techniques like SEO, SEM and Social Media Marketing will be there. However, personalized marketing activities targeting specific set of audience and influencers will be given higher importance.
5. Automation in marketing will emerge more effectively and will be predominant in future.

### **PREDICTIONS FOR THE FUTURE OF DIGITAL MARKETING MANAGEMENT**

**1. 'Reality optimization' will become a thing:** With augmented reality and more digital interactions with the physical world, brands will have to hybridize traditional and digital models of advertising. Companies may invest in some digitally relevant style of advertising, such as pop-up ads that appear when a user is close, or there may be digital ways of accessing physical locations, like virtually shopping at a supermarket.

**2. Content feeds will become finely-tuned for each individual:** With the rise in connection availability and better algorithms for surfacing and serving content, users will have access to instant forms of information and entertainment at all times, highly-tailored to their interests. For marketers to survive, they'll need to provide a similarly instantly-rewarding experience, also customized for the individual. This may include adopting technologies that allow for such customization or a simpler route of engaging people individually.

**3. Non-digital ads will die:** People have been saying it forever, but once the Internet is truly everywhere, with no concept of connection, traditional advertising is going to eventually die. It may become digitized in some way, such as the pop-up digital ads I mentioned in my first point, but it will cease to exist in the form we know it today. The key disappearance here will be tangible forms of advertising—billboards, magazine ads, and so on.

**4. Privacy concerns will reach their zenith, spawning more brands that prioritize it:** User concerns over privacy, transparency, and trust will reach their zenith as more tech brands monopolize the industry and consumers increasingly rely on digital systems to provide their wants and needs. Brands that are able to offer these rare, commoditized factors are going to have a distinct advantage over the majority that aren't, which means a handful of competitive brands will jump on this opportunity and differentiate themselves accordingly. You'll start to see more brands with "old world" values, and a niche of customers who want to stay as off-grid as possible, evolving into their own targetable demographic.

**5. Competition will be reduced:** Thanks to increasingly sophisticated algorithms and machine learning systems, there will be less work available for humans. With less work, there will be fewer businesses, and the ones that remain won't be quick at adapting to these new technologies and applications. If your brand is one of the cutting-edge (and lucky) businesses to make the cut, you'll likely benefit from the reduced competition. That doesn't mean you won't have to work hard to stay relevant, but you'll have an easier time differentiating yourself.

**6. Strange new social interactions will be introduced:** Social media platforms as we know them today are giant collections of content; each individual or organization has a dedicated profile that submits and promotes content, which is then pooled together in the newsfeeds of other profiles. In the future, this relationship has much room to evolve. Digital profiles may be more closely tied to an individual, and individuals may be able to produce content and exchange with one another in more immediate, interactive ways with wearable technology such as Internet-connected augmented reality contact lenses or glasses.

**7. Face-to-face interactions will be rare, but highly valued:** Future generations may grow up in a world where digital-exclusive interactions are the norm, but until we make that progress as a society, most of us will still have a need for in-person, face-to-face interactions. The slow disappearance of these interactions in favor of digital experiences and algorithmically generated content feeds will leave users hungry for this personal interaction, and the brands who deliver these kinds of experiences will have a chance to get ahead of the competition. In some ways, this is like marketing taking a step back, reverting to one-on-one, in-person customer relationships to compensate for the overly digital age.

## CONCLUSION

These predictions are somewhat general, and intentionally so. They're based on predictions on the future of the Internet, which themselves are highly speculative and open for debate. I do imagine some of these outcomes manifesting no matter how the Internet develops—for example, the "death" of traditional advertising (as we know it) and the rise of individualized marketing efforts—but we'll just have to wait and see how everything plays out.

## 29. SOCIETAL ATTITUDE TOWARDS CORPORATE SOCIAL RESPONSIBILITY OF CSR PRACTICED INDUSTRIES IN VIRUDHUNAGAR DISTRICT

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### INTRODUCTION

Creating a strong business and building a better world are not conflicting goals – they are both essential ingredients for long-term success

***William Clay Ford Jr. Executive Chairman, Ford Motor Company.***

The industrial growth and its continuous appraisal in the society lies in the hands of general public especially, they live in and around the industrial establishments. The perceptions which they possess in their mind about the organisation determines the growth of the firm, its goodwill in the long run, brand image, lead the customers for brand recognition, brand image, brand loyalty, further development, etc.,

Deliver a sustainable society in which business and its stakeholders can prosper in the long term. The profitable growth of any firm depends on the economic, environmental and social sustainability of the communities across the world. And also they should possess the best interests to contribute to the sustainability of the communities which they have the livelihood in the area where the industrial establishments are there.

“Goodness is the only investment that never fails” - *Henry David Thoreau, American writer.* With the rapid economic development of India, many enterprises have developed rapidly with the growing scale and strength and their products and services have had a profound impact on the society. Many enterprises are merely the spectators toward Corporate Social Responsibility (CSR). These enterprises do not play an active role in CSR.

In recent years, the emergence of social responsibility awareness results in the changes of consumers' ways of thinking. Consumers focus more on the enterprise execution of social responsibility and regard CSR as the reference index of purchasing. Therefore, under this circumstance, the enterprise will be “punished” by consumers by avoiding those brands which they fail to do CSR. Mostly, the enterprises concentrates on the economic benefits but ignore the CSR. The enterprise must surpass the traditional products and market view and focus on the humanistic spirit, social responsibility and value pursuit of the new era. Under the background of current economic upheaval, frequent climate changes, environmental disasters and social media emergence, it's a theoretic and practical project to discuss CSR.

Corporate Social Responsibility refers to the obligation of protecting and improving the public interest that the corporate shall undertake while pursuing legal economic interest. CSR refers to the expectations of society on the economy, laws, ethnics and free decision and including economic responsibility, legal liability, ethical responsibility and philanthropy.

CSR induces the prospective buyers to purchase the products of the enterprises which possess positive influence on the society. This paves a way to promote the better development of society. This type of consumers is defined as the consumers with social responsibility conscientiousness<sup>3</sup>.

‘In the welfare of the people lies the king's welfare and in their happiness his happiness.’

– Kutilya's Arthshastra.

<sup>3</sup> Webster Jr., F.E. (1975) Determining the Characteristics of the Socially Conscious Consumer. *Journal of Consumer Research*, 2, 188-196

Business promoters in India realized their commitment towards the society decades ago, but became oblivious to the fulfillment of their responsibilities in the quest for wealth and profit maximization. Businesses have now started realizing their responsibilities towards society in which they operate. Most firms believe in giving funds for community welfare such as hospitals, schools and other social infrastructure facilities. Some companies have become responsible the way they conduct business. For instance, McDonalds changed the packaging of their food products using eco-friendly materials.

The study of corporate social performance is important so as to ensure that there exists no gap between the social goals and business actions. Arevalo and Aravind (2011) quoted Reserve Bank of India and UNIDO in supporting the fact that India is playing a big role in CSR arena as it is the country with lowest Gross National Product and highest CSR amongst Asian economies. The process of globalization in India has resulted in an increase in the number of multinational corporations which are under increasing pressure for socially responsible behavior in their global operations.

According to a paper by the Department for International Development on Corporate Social Responsibility, businesses can help to reduce poverty in the following ways:

- ❖ Investing, producing, and paying wages and taxes, they can contribute to growth,
- ❖ Respecting labour standards and encouraging local sourcing, they can contribute to poor and
- ❖ Creating jobs, providing skills and training, and producing products that meet the needs

of the poor, their operations can have a direct impact on the poor.

In view of that, the Government of India has made it mandatory for public sector enterprises and private companies of a specific size and above to contribute a fixed proportion of their profits after tax for the sole purpose of corporate social responsibility. These companies also have to monitor their performance and report their progress in the annual reports. We see that the component of social performance has been found mention in the guidelines issued by the Government of India also.

“Earth provides enough to satisfy every man's need, but not every man's greed.”

– M.K. Gandhi

Business organisations and stakeholders have a degree of power with which to influence the other stakeholders as well, and due to the inter-relationship, their decisions, and the consequences of those decisions affect the entire social system. It is commonly argued that business organisations, particularly large corporations, wield great power in society, with many commentators noting that this power should be exercised responsibly.

The main CSR activities carried out by the business man to the society are providing awareness among public regarding blood donation awareness, breast cancer awareness to women, AIDS awareness, education to the poor children, academic kit like notes, books, stationery items, etc., for their studies. The CSR activities of the company not only be evidence for the corporate identification and customers' behaviour about the business but also customers may also donate something for the support of the CSR in case of non-profit organizations as a personal support.

### **STATEMENT OF THE PROBLEM**

In the modern epoch, social upliftment and the communal changes is the base for every business to prolong in the market with good reputation among the public. Corporate Social Responsibility is the sharp weapon which holds by all business man to attract the customers and change the purchasing behaviour of the customers, make changes in the employees' attitude by providing continuous support to them and contribute the necessities to the society. The ethical changes of the society give better results to the business and the personality of the people.



The focal point of the researcher also turned to the public attitude towards CSR and its applications in the societal upliftment. The key factors used in the research for identifying the public attitude are designed as the awareness level of people about CSR, their expectations regarding CSR from the company which are situated in their local area, major activities and the participation of the organisation to the societal development, importance of CSR in fulfilling the social objectives, their contributions towards environment, education, health care, community involvement activities, peripheral development activities, etc.

Through Corporate Social Responsibility, the company can take adequate steps to shape their community relationship, voluntary assistance programmes and special scholarships, preservation of cultural inheritance and beautify their cities. It shows the social, economical, ethical and moral responsibilities of business towards the society. The business man wants to identify the needs of the society economically and socially disadvantaged group of people. After identifying these types of people, they serve them for their upliftment and fulfill their needs up-to the maximum extent.

Corporate Social Responsibility involves the legal, ethical, commercial and other expectations the society has from the business houses. For obtaining profit, goodwill, growth and development, they want to balance the claims of all kinds of stakeholders. Effective Corporate Social Responsibility aims at achieving the commercial success by honouring ethical values and respect people, communities and natural environment.

The researcher has made a sincere attempt to study the societal upliftment through Corporate Social Responsibilities of the major CSR practiced industries in Virudhunagar District.

### **SCOPE OF THE STUDY**

The present study is a descriptive and analytical one. It has been marked on the study of societal upliftment through Corporate Social Responsibilities. It is a vital area of study, because the study area is basically an industry segmented place. The study area (Virudhunagar District) is famous for industry and gives a birth to more kind of main industry such as match works, fireworks, printing units, oil industry, spinning mills, paper industry, etc.

It also has the ancillary units such as paper board manufacturing, card board units, ink production, computer design, splint and veneer manufacturing, lamination, cutting, scoring, calendar production, diary production, chilly and other kinds of agricultural export units, cotton mills, weaving units, packaging units and trading sectors, etc.,

This study has analysed the importance of Corporate Social Responsibilities imposed by the industries to their locality for the purpose of uplifting their society in a right path. The researcher has made a survey by eliciting the data from the views/opinions of the employees and public about the CSR policy and practices of industries in Virudhunagar District.

The study covers only the industries; they knowingly or unknowingly do certain service activities to their society. The selected industries include small, medium and large scale organisations.

### **OBJECTIVES OF THE STUDY**

The following are the objectives framed by the researcher for pursuing the research titled "Socio-Economic Upliftment through Corporate Social Responsibilities of Selected Industries in Virudhunagar District".

1. To understand the origin, growth and the developments of the concept of Corporate Social Responsibility.
2. To analyse the societal attitude towards the Corporate Social Responsibility of the industries.
3. To present the findings and suitable suggestions regarding the additional responsibilities of the business units to their society.

## HYPOTHESES

The following are the hypotheses framed by the researcher for making analysis under the purview of the study.

H<sub>0</sub>: There is no relationship between the expectations of the public from the corporate through

CSR and the company's participation in CSR activities

H<sub>0</sub>: There is no relationship between the organizational responsibilities for the societal development and the importance of CSR in societal objectives.

## METHODOLOGY

**Data Collection:** The researcher has applied both primary and secondary data for the study. Primary data is collected from public who got benefit through CSR offered by the industry. The primary data have been collected with the help of a well structured questionnaire method. The public attitude questionnaire has certain segmentation such as general information, awareness on CSR, public opinion on CSR, the beneficial recovery by the society from the industrial experts through CSR, societal upliftment.

The secondary data is collected from books, journals, magazines, internet, company records and other related sources.

**Sampling Unit:** Virudhunagar District has 450 villages. Also it has eight taluks, 44 towns (28 census towns), 5, 36,977 households and 11 blocks. The total block wise population in this district covers 12, 86,543. The selected study areas are Sivakasi, Sattur, Srivilliputtur, Rajapalayam, Virudhunagar, Aruppukottai, Vembakottai, Kariapatti, Watrap, Tiruchuli and Narikudi. Among 57 units, the researcher has chosen some selected major business units for the study.

**Sampling Method:** The researcher has adopted Stratified Proportionate Random Sampling Method for the study. This sampling method gives a helping hand to the researcher for drawing the sample from each stratum.

**Sampling Size:** The researcher has taken 0.0002 (2 respondents for every 10000 people) from each block on the basis of block wise population for collecting data regarding public attitude towards Corporate Social Responsibilities of the industries in Virudhunagar District.

The number of respondents selected for the study is 260. The researcher collects the data from general public belonging to Sivakasi, Sattur, Srivilliputtur, Rajapalayam, Virudhunagar, Aruppukottai, Watrap, Kariapatti, Tiruchuli, Narikudi and Vembakottai.

S.No	Blocks in Virudhunagar District	Block wise Population	No. of Samples
1.	Aruppukottai	1,02,421	22
2.	Virudhunagar	1,63,177	33
3.	Kariapatti	75,178	15
4.	Tiruchuli	85,434	17
5.	Narikudi	73,022	15
6.	Rajapalayam	1,56,460	32
7.	Srivilliputhur	1,02,393	20
8.	Watrap	73,274	15
9.	Sivakasi	2,30,505	46
10.	Vembakottai	1,24,886	25
11.	Sattur	99,793	20
TOTAL		12,86,543	260(approx)

Source: Virudhunagar Census Data – 2011.

## REVIEW OF LITERATURE

The researcher has reviewed some important books, thesis, dissertation, project works, articles published in a journal, magazine articles contributed by the corporate experts, government notification and other relevant sources.

Singh et al (1980) reported that the corporate community in India has been under severe criticism for its different attitude towards the problems of common man. They empirically examined these criticisms by subjecting sample of 251 respondents (corporate managers) having varied degrees of experience. The findings indicated that the corporate actions are perceived to be predominantly pure profit maximizing, followed by calculative behaviour. Hence, the companies need to engage in more and more corporate social responsibility activities to build a good corporate image in the minds of people.<sup>4</sup>

Andriof and Mc Intosh (2001) noted that corporations that are truly socially responsible step up to their obligations in four major areas i.e. environment, the workplace, the community and the market place by trying to improve the conditions in each of them. Further it was suggested that the corporations have to continuously monitor the efforts of their operations within each specific area.<sup>5</sup>

Jose et al (2003) pointed out that today the drivers of business success are not the traditional drivers of quality, service, price or convenience alone but also the other variables like business practices, employee treatment, community engagement and the environment. Moreover, along with value creation and consumption of resources companies must also measure the broader impact of business on society and key stake holders.<sup>6</sup>

Rupp et al (2006) attempted to bridge the macro concept of corporate social responsibility with micro research in the organization structure. The authors opined that the employees' perceptions of corporate social responsibility impact their subsequent emotions, attitudes and behavior mediated by instrumental, relational and motives as well as moderated by organizations' social accounts.

The authors pointed out that the individuals are not only concerned about but also contribute and react to the organization's evolving social consciousness and even make distinct judgments about their corporate social responsibility employing efforts. The employees depict their reaction to firm's behavior; if the firm behaves in a socially irresponsible manner or is doing injustice to any employee, the employees show emotions in form of anger and revenge. However when the organization is engaged in doing justice the outcomes are noted to be positive such as job satisfaction, organizational commitment, organizational citizenship and job performance.<sup>7</sup>

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<sup>4</sup> Singh, P., Magger, A., and Warrior, S. K. (1980); Corporate Social Responsibility: Realities and Expectations, *Vikalpa*, Vol. 5, No. 2, pp. 117-130.

<sup>5</sup> Andriof, J. and McIntosh, M. (2001); Perspectives on Corporate Citizenship, Sheffield, U.K.: Greenleaf Publishing, 2001.

<sup>6</sup> Jose, P. D., Bandi, R. and Mehra, M. (2003); Corporate Social Responsibility (CSR) in the Information and Communications Technology (ICT) Sector: Discussion, *Management Review*, Vol. 15, No. 4, pp. 61-81

<sup>7</sup> Rupp D. E., Ganapathi, H. Aguilera, R. V. and Williams, C. A. (2006); The Incubator Employee Reactions to CSR An Organisation Justice Framework, *Journal of*

## ANALYSIS AND INTERPRETATION

There is a considerable discrepancy between perception of responsibility of various institutions and organizations for general welfare of society and their real work. While high percentage of the citizens, representatives of business and NGO sector think that organizations and institutions covered should be responsible for general welfare of society, considerably smaller percentage of them think that they indeed work for general welfare of society.

According to the representatives of business sector, CSR does not represent an important characteristic in terms of company image. Although representatives of business sector state that rate of companies in Montenegro characterized by CSR is not on enviable level, they state in significantly higher percentage that their company operates business in line with principles of CSR.

In this research analysis, the researcher has concentrated to study the common public perceptions about the enterprise they offer services to the society in the name of CSR. The common CSR activities provided to the society are listed as follows.

- o Provide funds to the poor children for their education
- o Contribute funds to the orphanage, old age homes,
- o Give a reforms to the life of physically challenged person
- o Provide drinking water facilities
- o Construct educational institution for giving reforms to the society
- o Clean the environment as and when required
- o Provide monetary help for marriage, funeral activities, etc.,
- o Provide housing facilities with low rental benefit
- o Organise health care activities
- o Provide safety education to girl children
- o Improve the quality of the Natural environment
- o Support Non-governmental works in problematic areas
- o Regular donations to charities
- o Energy saving
- o Rain water harvesting and Waste recycling
- o Provide Infrastructure to Schools/Colleges
- o Contribute Furniture, Play equipment etc. to schools / Colleges
- o Provide part-time / vocational jobs to college students
- o Safeguard the society by appointing Guards
- o Offer free meals during some occasion

The aim of this division is to analyse the public attitude towards CSR offering companies, awareness level of public about CSR, company's participation in CSR activities, importance of CSR in fulfilling the social objectives, organisation helps the society in respect of its accessibility through CSR, their opinion regarding the environmental contribution of the organisation to the society, educational contribution of the organisation to the society, Health care activities provided by the organisation to the society, community involvement activities provided by the organisation to your society and the peripheral development activities provided by the organisation to the society etc., The researcher has collected the above stated data and presented in the table, finally interpretation is made through the statistical applications.

### 1. Organisational Involvement in Community Development Oriented CSR Activities

The researcher has gathered the information from the respondents about the number of organisations involved in community development oriented CSR activities. Several kinds of enterprises are offering the regular services to the community in the specified intervals for some purposes.

A striking disclosure from the above Table that mostly (73.08%) one enterprise is regularly doing CSR activities to their society, followed by 20.77% of them expressed that one to three companies offer CSR activities and 6.15% of them felt that three to five companies offer CSR activities to the society.

**Table 1: Organisational Involvement**

S.No	Period	Number of Respondents	Percentage
1.	One	190	73.08%
2.	1 – 3	54	20.77%
3.	3 – 5	16	6.15%
4.	Above 5	-	-
	<b>Total</b>	<b>260</b>	<b>100 %</b>

Source: Primary Data

### 2. Major CSR Activities Done By the Enterprises

Generally, the firms carry on certain major CSR activities to the society after analyzing their requirements or conducting survey for identifying the social needs. The major activities done by the enterprises are listed in the table.

**Table 2: Major CSR Activities Done By the Enterprises**

S.No	Awareness	Number of Respondents	Percentage
1.	Education	154	59.23%
2.	Health	81	31.15%
3.	Sports	12	4.62%
4.	Housing	6	2.31%
5.	Poverty eradication	4	1.54%
6.	Culture	3	1.15%
	<b>Total</b>	<b>260</b>	<b>100 %</b>

Source: Primary Data

It has been noted that 59.23% of the respondents conveyed that the nearby companies provide educational facilities to the society in the form of offering free education, appoint tuition master to the slow learners, provide scholarship, distribute notebooks, provide training and other academic offerings to the children.

### 3. Expectations of the Public from the Organisation

Whatever the benefits offered by the enterprise, the public expectations may not be fulfilled or they may expect some more extra ordinary or they concentrate other than the basic expectations of the society. The expectations of the society are registered below.

**Table 3: Expectations of The Public From The Organisation**

S.No	Awareness	Number of Respondents	Percentage
1.	Do better service	63	24.23%
2.	Close monitoring is required	93	35.77%
3.	Continuous evaluation requires	41	15.77%
4.	Do the necessary services	63	24.23%
	<b>Total</b>	<b>260</b>	<b>100 %</b>

Source: Primary Data

It is proved that 35.77% of the respondents articulated that the organisations want to have a close monitoring on CSR activities and they need to have a continuous evaluation [15.77%].

#### 4. Responsibility Level of The Organisation For The Societal Development

The responsibility level of the organisation varies from one another and it depends on the mindset of the organisation. Some may carry on CSR activities for uplifting the society, some may have the object of doing CSR only for report purpose, name sake, brand image, company image, brand loyalty and brand identification.

**Table 4: Societal Development**

S.No	Awareness	Number of Respondents	Percentage
1.	Societal upliftment	89	34.23%
2.	Increase the company's image	46	17.69%
3.	Brand loyalty	38	14.62%
4.	Brand Identification	26	10%
5.	Name sake	23	8.85%
6.	Brand Image	22	8.46%
7.	Report purpose	16	6.15%
	<b>Total</b>	<b>260</b>	<b>100 %</b>

**Source:** Primary Data

It is crystal clear from the above table that, 34.23% of the respondents voluntarily stated that the enterprises are doing CSR activities for societal upliftment with their full heart.

#### 5. Relationship Between The Expectations Of The Public From The Corporate Through CSR And The Company's Participation In CSR Activities

$H_0$ : There is no relationship between the expectations of the public from the corporate through CSR and the company's participation in CSR activities.

**Table 5: Expectations of the Public in CSR**

PARTICIPATION / EXPECTATIONS	Do better Service	Close Monitoring	Continuous evaluation	Action	Total
Improve the quality of the Natural environment	18.17	26.83	11.83	18.17	75
Support Non-governmental works in problematic areas	13.57	20.03	8.83	13.57	56
Complies with all legal requirements	3.39	5.01	2.2	3.4	14
Contributes towards promotional projects for the well being of the society	8.48	12.52	5.52	8.48	35
Improve the company's public image in society or in media	7.52	11.08	4.89	7.51	31
Eco-friendly environmental creator	11.87	17.53	7.73	11.87	49
<b>Total</b>	<b>63</b>	<b>93</b>	<b>41</b>	<b>63</b>	<b>260</b>

**Source:** Computed Data

Chi – Square test = 24.996. Since the calculated value is higher than the table value, so the hypothesis is rejected. Hence there exists the relationship between the expectations of the public from the corporate through CSR and the company's participation in CSR activities.

## 6. Importance of CSR In Fulfilling The Social Objectives.

The major importance of CSR in fulfilling the social objectives are tabulated with the factors such as create employment, interest in community activities, preserve natural resources, concentrate on social issues, long term goal achievement, increase brand trust, continuous society upliftment and regular donation to charities.

**Table 6: CSR in Fulfilling The Social Objectives**

Activities	Mean Score
Create Employment	3.59
Community activities with mutual interest	3.25
Preserve natural resources	1.95
Recover the society from social issues	2.46
Long term goal achievement	1.47
Increase Brand Trust	4.07
Innovative practices and continuous society upliftment	2.16
Regular donations to charities	2.88

Source: Computed Data

It is noted that 4.07 score is assigned to the factor of increasing the brand trust, followed by employment creation occupied a second position.

## 7. Organisation Helps the Society In Respect Of Its Accessibility

The researcher has identified the approve levels of organizational help to the society with its accessibility.

**Table 7: Organisation Helps the Society In Respect Of Its Accessibility**

Activities	Mean Score
Clean the environment	3.57
Remove industrial waste	3.32
Protect the society from industrial pollution	2.82
Energy saving	2.23
Resource consumption with renewable energy sources	1.82
Training opportunities to public	2.94
Financial support to community development activities	3.72
Provide Health care activities	2.67
Village adoption	3.04
Contribution to Religious activities	4.37
Helps to develop sports culture among the youth	2.89
Provide necessary amenities to the society	2.93

Source: Computed Data

By computing mean score analysis, it is to be identified that 4.37 mean score is assigned to the contribution of religious activities.

## 8. Environmental Contribution Of The Organisation To The Society

**Table 8: Environmental Contribution of the Organisation to the Society**

Activities	Mean Score
Pollution control	4.62
Solid waste Management	5.31
Energy Saving	3.53
Green environment –Sapling plantation and protect trees, etc	7.06
Rain water harvesting	4.88
Waste recycling	6.14

Source: Computed Data

The major objectives of the organisation in the long run is to contribute more on environment related activities. Their performance is analysed with the scoring points of outstanding, excellent, commendable, very good, satisfactory, not bad, poor and very poor. The highest mean score is found for the factor of green environment by sapling plants and protect the trees through continuous monitoring.

### 9. Educational Contribution of the Organisation to The Society

In Virudhunagar District, there is a trend that most of the enterprises start schools and colleges for the betterment of the society and uplift the under privileged sector. The high mean score is found for setting up schools / colleges for the societal development.

**Table 9: Educational Contribution of The Organisation To The Society**

	Mean Score
Set up Schools / Colleges for the societal development	8.52
Provide Scholarships to students	7.96
Provide Infrastructure to Schools/Colleges	7.37
Contribute Furniture, Play equipment etc. to schools / Colleges	7.37
Trainings to students	6.66
Provide part-time / vocational jobs to college students	7.7

**Source:** Computed Data

### 10. Health Care Activities Provided By the Organisation To The Society

The requirements of the society deny on health, safety, amenities, education and environment. Health occupies a major role in the CSR activities. It gives a satisfactory life to everyone. It is vivid from the table that the organisations' health care activities of organizing blood donation camp has a mean score value of 7.23.

**Table 10: Health Care Activities**

	Mean Score
Regular Health checkup camps	5.05
Provide Drinking water facility	5.43
Organise Blood Donation camp	7.23
Organise Eye and Organ Donation awareness camp	3.51
Contribute Nila vembu kasayam / any other remedy to the public in case of medicinal requirement arises	4.94
Organise Vaternery camp	1.91

**Source:** Computed Data

### 11. Community Involvement Activities Provided By The Organisation To The Society.

**Table 11: Community Involvement Activities**

ACTIVITIES	Mean Score
Safeguard the society by appointing Guards	4.19
Regular Interaction with people	5.39
Construct Community Welfare Centers/ Associations / Multi purpose Halls / Religious Halls	5.86
Offer free meals during some occasion	5.11
Develop Socio-Cultural activities among the youth	5.9
Develop the under privileged sector in the society	2.75
Develop schemes / provide benefits for physically challenged / Mentally retarded person	4.63
Rehabilitation programme to the needy people (HIV / AIDS / Cancer / Destituted women, etc.,)	4.25

**Source:** Computed Data



Most probably, the organisation concentrates on the development of society by providing relevant community development in the societies. The mean score analysis is tabulated in the below table. It is evidentially prove that the organisation involves in community development activities by constructing multi-purpose halls with the mean score of 5.86.

## 12. Peripheral Development Activities Provided By The Organisation To The Society

In some cases, the organisation provides peripheral development activities to the society. They are constructing roads, water tanks, damages, transportation, sanitation, etc.,

**Table 12: Community Involvement Activities**

	Mean Score
Construct Roads	5.4
Drainages	3.91
Transportation	7.95
Construct Latrines / Good Sanitation	6.86

It is depicted from the table that the mean score of 7.95 is assigned for providing transportation facilities.

## FINDINGS

The researcher has outlined the questionnaire with the concepts of general information, awareness level of the public on CSR, organisations' contribution and benefits received through CSR on environment, education, health care activities, involvement in community development. Peripheral development activities and so on. The following are the major findings extracted by the researcher through the appropriate analysis.

- ❖ It is depicted from the analysis that majorities 49.29% of the respondents are in the age group between 31 and 40 years.
- ❖ It is shown from the study that, a majority 55 % of the public are of male category and the remaining 45 % of them are female category.
- ❖ A clear manifestation from the analysis that 35.38% of the respondents earn below ` 10,000 as monthly income, 25.77% of them are under graduates.
- ❖ It is clearly understood that 67.69% of the public are having awareness about the concept of corporate social responsibility.
- ❖ It is evidenced from the analysis that 63.1 % of the respondents got information about CSR through local business.
- ❖ It is crystal clear from the study that, all the respondents opined that the neighbour companies are doing regular CSR activities to the society and 73.08% of them stated that one enterprise is regularly.
- ❖ A striking disclosure from the analysis that 88.85% of them declared that the CSR is the genuine effort taken by the organisations.
- ❖ The study clearly exhibits the fact that 56.92% of them stated that the organisations' effort taken against the CSR fulfils the social expectations at a certain extent.
- ❖ It has been noted from the analysis that 59.23% of the respondents conveyed that the near by companies provide educational facilities to the society in the form of offering free education, appoint tuition master to the slow learners, provide scholarship, distribute note books, provide training and other academic offerings to the children.
- ❖ It is proved that 35.77% of the respondents articulated that the organisations want to have a close monitoring on CSR activities and they need to have a continuous evaluation (15.77%) each 24.23% of them stated that they should provide better services and necessary services to the society.
- ❖ It is crystal clear from the study that 34.23% of them are voluntarily stated that enterprises are doing CSR activities for social upliftment with their full heart.

- ❖ It is obviously stated that 54.23% of the respondents felt that organisations frequently providing services to the society.
- ❖ A striking disclosure from the analysis that 28.85% of the respondents stated that enterprises are concentrating more on improving natural environment.
- ❖ The researcher has tested and proved the hypothesis that there is a relationship between the expectations of the public and the companys' participation in CSR activities.
- ❖ The researcher found the result that the organisations do CSR activities to increase brand trust.
- ❖ To compute the organisations' accessibility, the research study exposed the result that the organisations voluntarily contribute for religious activities.

## **SUGGESTIONS**

- ✓ Corporate may have regular monitoring and evaluation of CSR related activities which are carried out by them.
- ✓ Continuous appraisal may be required for getting the best result through CSR.
- ✓ Companies need to be trained or given access to resources that will assist them in documenting, reporting and monitoring their CSR programming. This will improve transparency which is presently lacking in all areas, especially in environmental issues.
- ✓ Stakeholders must be encouraged to become more engaged with companies in planning and developing CSR programs.
- ✓ They may evaluate annual achievement on CSR through performance appraisal system.
- ✓ Enterprises may act as the role model for other related companies for doing CSR activities.
- ✓ By way of conducting regular survey, the organisation may provide the expected services to the society.
- ✓ They may adopt more number of villages and do better services to them.
- ✓ Organisations' main aim is to uplift the society and not doing the activities for a name sake.
- ✓ They may undertake some non-governmental projects as a voluntary activities and offer better result to the society.
- ✓ As a result, the organisation should satisfy all kinds of stakeholders.

## **CONCLUSION**

The research work is dealt with the identification of corporate social responsibilities of industries to the society. The measurement of corporate social performance is important because business is a part of society and cannot isolate from the regular life. The public attitude towards corporate social responsibilities of the organisation are also analysed by the researcher. The researcher has identified the result that the expectations of the society are more than the activities committed by the organisation. Virudhunagar and its surroundings are getting development due to the incoming and availability of more number of industries and their volunteer contribution to the society. All kinds of organisation including SMEs can contribute more number of services to the society in future for uplifting it into a hike.

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### 30. A STUDY ON THE EMOTIONAL INTELLIGENCE AMONG SCHOOL TEACHERS IN SIVAKASI

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#### **ABSTRACT**

*Emotional intelligence is the ability to identify and manage our own emotions and the emotions of others. It is generally includes three different skills like Emotional awareness, problems solving capabilities and the ability to manage emotions. In this research, the researchers analyse the impact of emotional intelligence on the performance of school teachers in Sivakasi. The researchers collected data from 100 school teachers on the basis of convenient sampling method.*

*Most of the teachers have the awareness about emotional intelligence. When a person understands the emotional oscillation, it helps them to overcome the obstacles in their activities. Teachers also adopt psychological approach in all respects to change the behaviour of the students. They too get satisfaction with the working environment with their students' knowledge, upgradation in their life style, creating disciplined students, etc.,*

#### **INTRODUCTION**

Emotional intelligence is the ability to recognise one's own and other people's emotions. Through which one can discriminate different feelings of diverse nature of people and label them. Also emotional information of people has taken for guiding them in thinking and behavioural aspects.

It is evidentially proved that people with high Emotional Intelligence have greater mental health, commendable job performance and more persuasive leadership skills. In the recent era, practicing Emotional intelligence in one's life is a challenging task. In this research, the researcher has made an attempt to analyse the impact of Emotional Intelligence on the performance of school teachers.

#### **Educational System in Vedic Period**

The Education system which was evolved first in ancient India is known as the Vedic System of Education. Ancient education was evolved from Vedas. It was supposed to be the source of Indian philosophy of life. During the vedic period, Education was considered as the soul and life to the human being. When a child admitted for education into the Gurukulas, they were supposed to learn everything to lead a successful life without any hurdles. This education system was given mostly to the upper castes like Brahmins or Kshatriyas. Educational system was very much helpful to the individuals to learn cultural, economic, individual, philosophical, scientific, social and spiritual advancements.

The main aim of education in vedic period includes provide education for other world lines, character formation, personality development, intellectual development, spiritual development, preparation for living, preserving and transmitting culture, vedic literature, manthras, physical fitness training, stress removing practice, etc., At that period, they taught the methods of listening words, deliberation of the topic taught and meditation. In general, Education is the means for developing the mind for the betterment of the individual and society. Students were named as Shishyas. The main aim of the vedic educational system was to produce a rational individual, free from passions, full of universal affection, continuously self educating and striving to reach the highest goals.

## **Role of Teacher in Vedic Period**

The teacher or acharya in the vedic age was responsible not only in importing knowledge, religious as well as secular, but also in molding the character and personality of the pupils of his ashrama. The acharya of the gurukula system was an affectionate father, an effective teacher and a person of high moral and spiritual qualities. He maintained discipline by the influence of his personality. He was sincere and honest to his work and taught every known fact with his heart and soul.

Now-a-days, there are different background of good quality of education be considered. It includes teaching methodology, Emotional awareness of the teachers, self-confidence, conflict management, discipline management, class management, lesson planning, etc. So, the teaching community is in need of having an experienced knowledge in subjects, specified skills and emotional intelligence in case of dealing with students and other nature of environment.

In this research, researchers have concerted to resolve the stricture of the teacher's performance, impact and the different dimensions of the emotional intelligence. In this study, researchers enumerated to measure the specific relation on school teachers.

## **OBJECTIVES OF THE STUDY**

1. To determine the Emotional intelligence of School teachers in various issues
2. To test the impact of different dimensions of Emotional Intelligence on teachers performance.
3. To make suitable suggestions for the research concepts on the basis of the findings made by the researchers.

## **STATEMENT OF THE PROBLEM**

Modern Educational system has more number of constraints. Now-a-days, Providing Education to children are also be the challenging task. Teachers are in a critical position to express their views to the students' community with lot of tenderness. This is the basic thirst for the researcher to understand the emotional intelligence of the school teachers with their young and dynamic students.

This study is centering on emotional intelligence of the teachers' performance in many aspects of teaching process. This research help the personnel to understand the emotional facets exist around us and the duty of them to set right it in a right path to obtain positive result in all cases without any soreness. In this study, the researchers collect the required information regarding the emotional intelligence from the school teachers. This is to be scrutinized on the basis of the performance of the school teachers in Sivakasi.

The researchers have concentrated on the activities of the teachers in the certain aspects such as class room management, motivating the energetic personnel in many activities, problem solving methodologies and providing proper guidelines to the students for their improvements.

In this study, the researchers focused the various dimensions of Emotional Intelligence such as Emotional Self Awareness, Self Confidence, Emotional Self Control, Achievement, Developing the others and Conflict management.

## **METHODOLOGY**

The researcher has used the survey method for collecting the data. The questionnaire is designed and data is collected from school teachers in Sivakasi. Convenient sampling technique is used. The required data is collected from 100 respondents from 10 schools in Sivakasi to understand the emotional intelligence of School teachers.

## **ANALYSIS AND INTERPRETATION**

### **1. Awareness About Emotional Intelligence**

Now-a-days, most of the teaching professionals have the awareness about Emotional Intelligence. Without this concept, no one can get satisfaction in their regular work nature.

**Table 1.1: Awareness About Emotional Intelligence**

S.No	Awareness	No.of Respondents	Percentage
1.	Have Awareness	71	71%
2.	Not having Awareness	29	29%
	Total	100	100%

**Source : Primary Data**

It is vivid from the above table that 71% of the respondents have awareness about Emotional Intelligence. Remaining 29% of them does not have awareness regarding the emotional stabilization.

## **2. Conflict Management**

In an organisational setup, there is a need of having healthy and cordial Relationship between the man power. Likewise in an educational institution, the teaching personnel are in the need of formulating good environment with their colleagues, students, parents, management and with other personnel.

**Table 1.2: Conflict Management**

S.No	Particulars	No.of Respondents	Percentage
1.	Managing the critical situation	67	67%
2.	Not in a position to manage the critical situation	33	33%
	Total	100	100%

**Source : Primary Data**

It is obviously known that 67% of the school teachers are having the capability to manage the critical situation with confidence and the remaining has afraid to involve in any type of the situation.

## **3. Psychological Approach**

In olden days, the psychoanalyst alone involve in the analysis of the Psychological concepts of the person. But now, time induced everyone to analyse the psycho concepts of many persons. This is particularly adopted by the teachers while taking class, dealing with the students' problems, provide counseling to the students, etc.,

**Table 1.3: Psychological Approach**

S.No	Particulars	No.of Respondents	Percentage
1.	Use Psychological approach	82	82%
2.	Not involve in the usage of Psychological approach	18	18%
	Total	100	100%

**Source : Primary Data**

82% of the respondents use psychological approach to motivate the students' community, uplift their knowledge and life style, etc.,

## **FINDINGS OF THE STUDY**

The researcher has listed out the following as findings from the data collected.

1. Most of the teachers [88%] belonging to the age group of 25 to 35
2. 62% of the respondents are in female category
3. Among the selected respondents, 71% of the teachers can have the awareness of stabilizing their emotion in all such cases.
4. Nearly 55% of the respondents express their emotions in front of others without having consciousness.
5. 74% of the respondents feel comfortable in their working environment and have confidence on emotional stabilization.
6. 52% of the respondents behave in a calm way to deal the critical situation and lead a stress free life.

7. It is vividly known that 64% of them can understand the reality of the situations and they know the intension of the teaching. So they can easily motivate the students in all respects in a positive way.
8. 67% of the respondents can have the capability to set right the conflicts and disagreement crop up between the colleagues, parents of different candidates, management personnel, etc.,

#### **Teachers' Performance**

1. 94% of the respondents opined that they can easily manage the students with kindness and maintain discipline in a class room.
2. All the respondents complete the stated syllabus in time.
3. 75% of the teachers are very much interested to uplift the students' community in a positive way and assist them to take good decisions in their personal problems.
4. 82% of the respondents use psychological approach to handle the students' problems.

#### **SUGGESTIONS FOR THE RESEARCH FINDINGS**

The following are the suggestions registered by the researchers in case of emotional intelligence by the school teachers.

1. If a person does not have the awareness on Emotional Intelligence then he / she may face many problems due to behavioural changes among the students, interaction with the parents of the students, etc., So the teachers must create awareness about Emotional Intelligence in their life.
2. All the teachers must cultivate the habit of solve the critical problems in a silent way. It leads to have a stress free working environment.
3. The intension of teaching must understand by all the teaching professionals. It helps them to motivate the students and uplift their qualities in all respects.
4. When a person understands the emotional oscillation, it helps them to overcome the obstacles in their activities.
5. Teachers may adopt psychological approach in all respects to change the behaviour of the students.
6. Teachers may get the satisfied working environment only when the students get more knowledge, upgradation in their life style, creating disciplined students, etc.,

#### **CONCLUSION**

Emotional Intelligence is the new concept adopted by many personnel to lead a stress free working environment. Through which, one can understand our own behaviour, needs of the society, our requirements to change the behaviour, empathy over others, enrichment of students' community in a right path, etc.,

Emotional Intelligence is the step by step processes which induce everyone to identify with their emotional self awareness, self confidence, emotional self control, achievement, developing others and conflict management. Emotional Intelligence is the psychological concept which is required to evolve by the school teachers for the betterment of themselves, students, management and others to create good working environment.

### 31. DATA MINING: A CONCEPTUAL OVERVIEW

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#### ABSTRACT

*Data mining, referred to as data or knowledge discovery, is the process of analyzing data from different perspectives and summarizing it into useful information. The information thus generated can be used to increase revenue, cut costs, or both. Data mining software is an analytical tool which aids to analyze the data. It allows users to analyze data from many different dimensions or angles, categorize it, and summarize the relationships identified. Technically, data mining is the process of finding correlations or patterns among dozens of fields in large relational databases. Data Mining has appeared when the database communities used them for clustering, classifying and predicting data for better decision making in business. Hence an attempt is made in this conceptual paper to study the process of Data mining and its applications in business field.*

**KEYWORDS:** Data, Information, Knowledge

#### INTRODUCTION

Although data mining is a relatively new term, the technology is not. Companies have used powerful computers to go through volumes of supermarket scanner data and analyze market research reports for years. However, continuous innovations in computer processing power, disk storage, and statistical software are dramatically increasing the accuracy of analysis while driving down the cost.

#### Data, Information, and Knowledge

**Data:** Data are any facts, numbers, or text that can be processed by a computer. Today, organizations are accumulating vast and growing amounts of data in different formats and different databases. This includes:

- ✓ operational or transactional data such as, sales, cost, inventory, payroll, and accounting
- ✓ nonoperational data, such as industry sales, forecast data, and macro economic data
- ✓ meta data - data about the data itself, such as logical database design or data dictionary definitions

**Information:** The patterns, associations, or relationships among all this *data* can provide *information*. For example, analysis of retail point of sale transaction data can yield information on which products are selling and when.

**Knowledge:** Information can be converted into *knowledge* about historical patterns and future trends. For example, summary information on retail supermarket sales can be analyzed in light of promotional efforts to provide knowledge of consumer buying behavior. Thus, a manufacturer or retailer could determine which items are most susceptible to promotional efforts.

**Data Warehouses:** Dramatic advances in data capture, processing power, data transmission, and storage capabilities are enabling organizations to integrate their various databases into *data warehouses*. Data warehousing is defined as a process of centralized data management and retrieval. Data warehousing, like data mining, is a relatively new term although the concept itself has been around for years. Data warehousing represents an ideal

vision of maintaining a central repository of all organizational data. Centralization of data is needed to maximize user access and analysis. Dramatic technological advances are making this vision a reality for many companies. And, equally dramatic advances in data analysis software are allowing users to access this data freely. The data analysis software is what that supports data mining for making prompt decisions.

### **What can data mining do?**

Data mining is primarily used today by companies with a strong consumer focus - retail, financial, communication, and marketing organizations. It enables these companies to determine relationships among "internal" factors such as price, product positioning, or staff skills, and "external" factors such as economic indicators, competition, and customer demographics. And, it enables them to determine the impact on sales, customer satisfaction, and corporate profits. Finally, it enables them to "drill down" into summary information to view detail transactional data.

With data mining, a retailer could use point-of-sale records of customer purchases to send targeted promotions based on an individual's purchase history. By mining demographic data from comment or warranty cards, the retailer could develop products and promotions to appeal to specific customer segments.

### **How does data mining work?**

While large-scale information technology has been evolving separate transaction and analytical systems, data mining provides the link between the two. Data mining software analyzes relationships and patterns in stored transaction data based on open-ended user queries. Several types of analytical software are available: statistical, machine learning, and neural networks. Generally, any of four types of relationships are sought:

- ✓ **Classes:** Stored data is used to locate data in predetermined groups. For example, a restaurant chain could mine customer purchase data to determine when customers visit and what they typically order. This information could be used to increase traffic by having daily specials.
- ✓ **Clusters:** Data items are grouped according to logical relationships or consumer preferences. For example, data can be mined to identify market segments or consumer affinities.
- ✓ **Associations:** Data can be mined to identify associations. The beer-diaper example is an example of associative mining.
- ✓ **Sequential patterns:** Data is mined to anticipate behavior patterns and trends. For example, an outdoor equipment retailer could predict the likelihood of a backpack being purchased based on a consumer's purchase of sleeping bags and hiking shoes.

Data mining consists of **five major elements**:

- ✓ Extract, transform, and load transaction data onto the data warehouse system.
- ✓ Store and manage the data in a multidimensional database system.
- ✓ Provide data access to business analysts and information technology professionals.
- ✓ Analyze the data by application software.
- ✓ Present the data in a useful format, such as a graph or table.

Different **levels of analysis** are available:

- ✓ **Artificial neural networks:** Non-linear predictive models that learn through training and resemble biological neural networks in structure.
- ✓ **Genetic algorithms:** Optimization techniques that use processes such as genetic combination, mutation, and natural selection in a design based on the concepts of natural evolution.
- ✓ **Decision trees:** Tree-shaped structures that represent sets of decisions. These decisions generate rules for the classification of a dataset. Specific decision tree methods include Classification and Regression Trees (CART) and Chi Square Automatic Interaction Detection



(CHAID). CART and CHAID are decision tree techniques used for classification of a dataset. They provide a set of rules that you can apply to a new (unclassified) dataset to predict which records will have a given outcome. CART segments a dataset by creating 2-way splits while CHAID segments using chi square tests to create multi-way splits. CART typically requires less data preparation than CHAID.

- ✓ **Nearest neighbor method:** A technique that classifies each record in a dataset based on a combination of the classes of the  $k$  record(s) most similar to it in a historical dataset (where  $k \geq 1$ ). Sometimes called the  $k$ -nearest neighbor technique.
- ✓ **Rule induction:** The extraction of useful if-then rules from data based on statistical significance.
- ✓ **Data visualization:** The visual interpretation of complex relationships in multidimensional data. Graphics tools are used to illustrate data relationships.

#### **What technological infrastructure is required?**

Today, data mining applications are available on all size systems for mainframe, client/server, and PC platforms. System prices range from several thousand dollars for the smallest applications up to \$1 million a terabyte for the largest. Enterprise-wide applications generally range in size from 10 gigabytes to over 11 terabytes. There are two critical technological drivers:

- ✓ **Size of the database:** the more data being processed and maintained, the more powerful the system required.
- ✓ **Query complexity:** the more complex the queries and the greater the number of queries being processed, the more powerful the system required.

#### **CONCLUSION**

Data mining is a report generation tool which can accurately retrieve the needed data in the form requested by the end user. Thus it supports immediate decision making in the business fields. Moreover a centralized data flow can be achieved, thereby by compressing redundancy through an integrated approach. The journey of Data mining is still in research, it is seeking yet for different security mechanisms, thereby to achieve its credential and consistency in securing the data.

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## 32. TOTAL QUALITY MANAGEMENT IN ACADEMICS

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### ABSTRACT

*Quality education is a great concern in many societies across the world. In a highly competitive education sector, the success of academic institutions depends on the quality of education. Educationalists, policy makers, scholars, and researchers are showing their sincere interest towards the total quality management (TQM) as it is recognized as an effective management philosophy for continuous improvement, customer satisfaction, and organizational excellence. Since this concept was initially developed in the manufacturing sector, therefore, there is a great deal of suspicion whether this philosophy is applicable in education. In this connection, the main objective of this study is to investigate the compatibility of TQM with education. At the same time, this study would try to identify key challenges in implementing TQM in education. It is assumed that this study would be able to draw a meaningful conclusion regarding the applicability of TQM in education as well as to create an awareness regarding those challenges which may create obstacles in implementing TQM in education.*

**KEYWORDS:** Continuous Improvement, Customer Satisfaction, and Organizational Excellence

### INTRODUCTION

The concept of TQM was developed by an American, W. Edwards Deming, after World War II for improving the production quality of goods and services. The concept was not taken seriously by Americans until the Japanese, who adopted it in 1950 to resurrect their postwar business and industry, used it to dominate world markets by 1980. By then most U.S. manufacturers had finally accepted that the nineteenth century assembly line factory model was outdated for the modern global economic markets. The concept of TQM is applicable to academics. Many educators believe that the Deming's concept of TQM provides guiding principles for needed educational reform.

#### **Principle 1: Synergistic Relationships**

According to this principle, an organization must focus, first and foremost, on its suppliers and customers. In a TQM organization, everyone is both a customer and supplier; this confusing concept emphasizes "the systematic nature of the work in which all are involved". In other words, teamwork and collaboration are essential. Traditionally, education has been prone to individual and departmental isolation. However, according to Bonstingl, this outdated practice no longer serves us: "When I close the classroom door, those kids are mine!" is a notion too narrow to survive in a world in which teamwork and collaboration result in high-quality benefits for the greatest number of people. The very application of the first pillar of TQM to education emphasizes the synergistic relationship between the "suppliers" and "customers". The concept of synergy suggests that performance and production is enhanced by pooling the talent and experience of individuals.

In a classroom, teacher-student teams are the equivalent of industry's front-line workers. The product of their successful work together is the development of the student's capabilities, interests, and character. In one sense, the student is the teacher's customer, as the recipient of educational services provided for the student's growth and improvement. Viewed in this way, the teacher and the college are suppliers of effective learning tools, environments, and

systems to the student, who is the school's primary customer. The college is responsible for providing for the long-term educational welfare of students by teaching them how to learn and communicate in high-quality ways, how to access quality in their own work and in that of others, and how to invest in their own lifelong and life-wide learning processes by maximizing opportunities for growth in every aspect of daily life. In another sense, the student is also a worker, whose product is essentially his or her own continuous improvement and personal growth.

**Principle 2: Continuous Improvement and Self Evaluation**

The second pillar of TQM applied to education is the total dedication to continuous improvement, personally and collectively. Within a Total Quality school setting, administrators work collaboratively with their customers: teachers. Gone are the vestiges of "Scientific management"... whose watchwords were compliance, control and command. The foundations for this system were fear, intimidation, and an adversarial approach to problem-solving. Today it is in our best interest to encourage everyone's potential by dedicating ourselves to the continual improvement of our own abilities and those of the people with whom we work and live. Total Quality is, essentially, a win-win approach which works to everyone's ultimate advantage.

According to Deming, no human being should ever evaluate another human being. Therefore, TQM emphasizes self-evaluation as part of a continuous improvement process. In addition, this principle also laminates to the focusing on students' strengths, individual learning styles, and different types of intelligences.

**Principle 3: A System of Ongoing Process**

The third pillar of TQM as applied in academics is the recognition of the organization as a system and the work done within the organization must be seen as an ongoing process. The primary implication of this principle is that individual students and teachers are less to blame for failure than the system in which they work. Quality speaks to working on the system, which must be examined to identify and eliminate the flawed processes that allow its participants to fail. Since systems are made up of processes, the improvements made in the quality of those processes largely determine the quality of the resulting product. In the new paradigm of learning, continual improvement of learning processes based on learning outcomes replaces the outdated "teach and test" mode.

**Principle 4: Leadership**

The fourth TQM principle applied to education is that the success of TQM is the responsibility of top management. The college teachers must establish the context in which students can best achieve their potential through the continuous improvement that results from teachers and students working together. Teachers who emphasize content area literacy and principle-centered teaching provide the leadership, framework, and tools necessary for continuous improvement in the learning process.

According to the practical evidences, the TQM principles help the colleges in following clauses:

- ✓ Redefine the role, purpose and responsibilities of colleges.
- ✓ Improve colleges as a "way of life."
- ✓ Plan comprehensive leadership training for educators at all levels.
- ✓ Create staff development that addresses the attitudes and beliefs of college staff.
- ✓ Use research and practice-based information to guide both policy and practice.
- ✓ Design comprehensive youth-development initiatives that cut across a variety of agencies and institutions.

In order to achieve the above as opportunities to the academic scenario, in addition to patience, participatory management among well-trained and educated partners is crucial to the success of TQM in education; everyone involved must understand and believe in

principles. Some personnel who are committed to the principles can facilitate success with TQM. Their vision and skills in leadership, management, interpersonal communication, problem solving and creative cooperation are important qualities for successful implementation of TQM.

## CONCLUSION

The economic, social, cultural, technological changes contribute to knowledge society. The present growth of economic growth can be substantially increased if India becomes super power in knowledge sector. A conceptual TQM model for excellence in Higher Education Institutes is based on the following five variables which lead to student satisfaction is proposed.

1. Commitment of top management: Top management, through their supervision of all processes, should ensure that everybody is committed to achieving quality
2. Course delivery: Expert knowledge must be matched with expert skill to transmit that knowledge – the fervor to acquire knowledge must be matched with fervor to transmit it.
3. Campus facilities: Utmost attention is to be shown in providing excellent infrastructure and physical facilities in the campus for student learning, co-curricular and extra-curricular activities.
4. Courtesy: An emotive and positive attitude towards students will lead to congenial learning environment.
5. Customer feedback and improvement: Constant feedback from the students leading to continuous improvement in the process is the key to achieving excellence.

The higher Education system needs to be strengthened which will be capable of honing the system to attain all-round, multifaceted personality; to acquire leadership qualities, to sharpen communication and interpersonal skills, to acquire knowledge of the latest trends in technology, to have exposure to industrial climate and to gain confidence to face changes in the highly competitive and ever changing world.

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### 33. EVALUATION OF AWARENESS, ACCEPTANCE AND PROMOTION OF CAVIN KARE PRODUCTS AMONG RETAILERS IN RAJAPALAYAM

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#### **ABSTRACT**

*To-day the world market turn towards India for capturing the entire Indian market. Most of the companies wanted to capture cosmetics and consumer products market. The problem involves the retailers outlet of cavin kare products among the retailer shop, acceptance and promotion of cavin kare products. In modern world the standard of living of people in India is increasing and they spend mostly on cosmetic and consumer products became essential products from rich people. The researcher has frame the objectives are to identify the acceptance cavin kare products among the retailers, to know the promotion of cavin kare products among the retailers. The total number of retailers outlet of cavin kare prodcut is unknown. The researcher have been taken us 50 respondents adopted by convenience sampling method. The study has analyse the cavin kare products only even though there are many cosmetic products available in the market of Rajapalayam. The researcher has analyse the findings and suitable suggestions for the study.*

**KEYWORDS:** retailers, cavin kare products, acceptance etc.,

#### **INTRODUCTION**

To-day the world market turn towards India for capturing the entire Indian market. Most of the companies wanted to capture cosmetics and consumer products market. So each company strengthens their marketing. The Cavin Kare company is the Indian company which produces several cosmetics and consumer items. They produce several cosmetic products on the basis of natural nutritious products company was started in 1983 as Chik-India and renamed as Beauty Cosmetics Pvt.Ltd., and started as corporate sectors. They introduce several products after then. The aim of the company is their products must be in each retailer shop and it must be movable.

#### **STATEMENT OF THE PROBLEM**

Since cosmetic products and consumer products plays a vital role in the market. It is essential to know about whether all the retailers have cavin kare products with them or not. So, the problem involves the retailer's outlet of cavin kare products among the retailer shop, acceptance and promotion of cavin kare products. Hence the researcher have analyse the awareness, acceptance and promotion of cavin kare products only.

#### **SCOPE OF THE STUDY**

In modern world the standard of living of people in India is increasing and they spend mostly on cosmetic and consumer products became essential products from rich people. So many companies start producing the cosmetic and consumer products and also many foreign companies comes to Indian market to launch cosmetic products. So the crux behind it, which is essential to know what the retailers and customers think in their mind.

#### **OBJECTIVES**

The researcher has frame the following objectives

- To know the socio-economic profile of the respondents.
- To study the evaluation of awareness of cavin kare products among the retailers.

- To identify the acceptance cavin kare products among the retailers.
- To know the promotion of cavin kare products among the retailers.
- To give findings, suggestions for developing their products in the market and conclusion.

## METHODOLOGY

The study is descriptive and analytical in nature. The data is collected from primary and secondary sources.

## SAMPLING DESIGN

There are thirty three villages are located in Rajapalayam. So, the total number of retailer's outlet of cavin kare prodcut is unknown. Therefore, the researcher have been taken us 50 respondents adopted by convenience sampling method.

## LIMITATION

The study has analysed the cavin kare products only even though there are many cosmetic products available in the market of Rajapalayam.

## ANALYSIS AND INTERPRETATIONS OF EVALUATION OF AWARENESS, ACCEPTANCE AND PROMOTION OF CAVIN KARE PRODUCTS AMONG RETAILERS

### 1.1 AGE

The researcher has analyzed the age wise classification of the respondents in the study area.

**Table 1.1: Age wise classification of the respondents**

S. No	Age	No. of. Respondents	Percentage
1.	Below 25	13	26.00
2.	25 to 35	19	38.00
3.	35 to 45	11	22.00
4.	Above 45	7	14.00
<b>Total</b>		<b>50</b>	<b>100.0</b>

### Sources: Primary Data

It is analyzed that out of 50 respondents, (26.00 per cent) of the respondents are coming under below 25 years, (38.00 per cent) of the respondents are 25 to 35 years, (22.00 per cent) of the respondents are 35 to 45 years and remaining (14.00 per cent) of the respondents are above 45 years.

Most (38.00 per cent) of the respondents are in the age group of 25 to 35 years in the study area.

### 1.2 INCOME

The researcher has collected data about monthly income of the respondents.

**Table 1.2: Monthly income wise classification of the respondents**

S. No	Income	No. of. Respondents	Percentage
1.	Below 20,000	14	28.00
2.	20,000 to 30,000	17	34.00
3.	30,000 to 40,000	13	26.00
4.	Above 40,000	6	12.00
<b>Total</b>		<b>50</b>	<b>100.0</b>

### Sources: Primary Data

Table 1.2 is describe that out of 50 respondents, (28.00 per cent) of the respondents are earn the income level is below 20,000, (34.00 per cent) of the respondents are earn the income level is 20,000 to 30,000, (26.00 per cent) of the respondents are have the income level of 30,000 to 40,000 and balancing (12.00 per cent) of the respondents are earned the income is above 40,000.

It is understood that most (34.00 per cent) of the respondents are earn the income level is 20,000 to 30,000 per month.

### 1.3 EDUCATIONAL QUALIFICATION

The researcher has collected data about educational qualification of the respondents of their study area.

**Table 1.3: Educational qualification of the respondents**

S. No	Educational qualification	No. of. Respondents	Percentage
1.	HSC	5	10.00
2.	Under graduate	20	40.00
3.	Post graduate	18	36.00
4.	Others	7	14.00
<b>Total</b>		<b>50</b>	<b>100.0</b>

#### Sources: Primary Data

It is examined that out of 50 respondents, (10.00 per cent) of the respondents are studied up to HSC level, (40.00 per cent) of the respondents are studied up to UG, (36.00 per cent) of the respondents are studied up to PG level and remaining (14.00 per cent) of the respondents are others.

It is discovered that most (40.00 per cent) of the respondents come under the UG level.

### 1.4 YEARS WISE SALES TURN OVER

The researcher has collect the data about years wise sales turn over in the study area.

**Table 1.4: Years wise sales turn over**

S. No	Sales turn over	No. of. Respondents	Percentage
1.	Below 1,00,000	15	30.00
2.	1,00,000 to 1,50,000	23	46.00
3.	Above 1,50,000	12	24.00
<b>Total</b>		<b>50</b>	<b>100.0</b>

#### Sources: Primary Data

It is clear that most (46.00 per cent) of the respondents are covered in 1,00,000 to 1,50,000 of sales turnover per year in the study area.

### 1.5 PRODUCT OF SALES BY RETAILERS

The researcher should identify the product of sales in the study area.

**Table 1.5: Product of sales**

S. No	Product of sales	No. of. Respondents	Percentage
1.	Cosmetic care products	15	30.00
2.	Hair care products	20	40.00
3.	Personal care products	15	30.00
<b>Total</b>		<b>50</b>	<b>100.0</b>

#### Sources: Primary Data

It is clearly shows that out of 50 respondents most (40.00 per cent) of the respondents are sales in products of Hair care products of cavin kare.

### 1.6 DEALING IN SKIN CARE PRODUCTS

It is represent that how long the skin care products dealing by the retailers

**Table 1.6: Dealing in skin care products**

S. No	Skin care products	No. of. Respondents	Percentage
1.	Below 1 year	13	26.00
2.	1 to 2 years	24	48.00
3.	Above 2 years	13	26.00
<b>Total</b>		<b>50</b>	<b>100.0</b>

#### Sources: Primary Data

It is revealed that most (48.00 per cent) of the respondents are dealing the skin care products of 1 to 2 years.

### 1.7 DEALING IN PERSONAL CARE PRODUCTS

It is represent that how long the skin care products dealing by the retailers

**Table 1.7: Dealing in personal care products**

S. No	Personal care products	No. of. Respondents	Percentage
1.	Indica hair dye	8	16.00
2.	Godrej hair dye	23	46.00
3.	Others	19	38.00
<b>Total</b>		<b>50</b>	<b>100.0</b>

#### Sources: Primary Data

It is exposed that most (46.00 per cent) of the respondents are dealing the personal care products of indica hair dye.

### 1.8 DEALING INDIGO HAIR DYE

It is characterize that how long deal the indigo hair dye dealing by the retailers.

**Table 1.8: Dealing indigo hair dye**

S. No	Indigo hair dye	No. of. Respondents	Percentage
1.	Below 1 year	12	24.00
2.	1 to 2 years	25	50.00
3.	Above 2 years	13	26.00
<b>Total</b>		<b>50</b>	<b>100.0</b>

#### Sources: Primary Data

It is ensured that most (50.00 per cent) of the respondents are dealing on indica hair dye.

### 1.9 DEALING GODREJ HAIR DYE

It is illustrate that how long deal the godrej hair dye dealing by the retailers.

**Table 1.9: Dealing Godrej hair dye**

S. No	Indigo hair dye	No. of. Respondents	Percentage
1.	Below 1 year	11	22.00
2.	1 to 2 years	24	48.00
3.	Above 2 years	15	30.00
<b>Total</b>		<b>50</b>	<b>100.0</b>

#### Sources: Primary Data

It is ensured that most (48.00 per cent) of the respondents are dealing on godrej hair dye.

### 1.10 INCREASE THE SALES OF PRODUCTS

**Table 1.10: Increase the sales of products**

S. No	Increase the sales of products	No. of. Respondents	Percentage
1.	Prompt delivery	8	16.00
2.	It must give more profits to the retailers	13	26.00
3.	Company must spend more an advertisements	17	34.00
4.	Extra ordinary remuneration package for more sales	12	24.00
<b>Total</b>		<b>50</b>	<b>100.0</b>

#### Sources: Primary Data

It is demonstrate that how to increase the sales of products of cavin kare, the suggestions given by the retailers.

It is discovered that most (34.00 per cent) of the retailers are given the suggestions to increase the sales of products of Cavin Kare is company must spend more an advertisements in the study area.



### 1.11 DIFFICULTIES OF GETTING THEIR PRODUCTS-GARRET RANKING

The researcher has to made analyse the difficulties of getting the products of cavin care in the study area. This information is shown in Table 1.11.1.

**Table 1.11.1: Difficulties of getting their products**

S. No	Difficulties	Rank				Total
		1	2	3	4	
1.	No prompt delivery	10	15	10	15	50
2.	Poor conduct with dealers/wholesalers	18	10	12	10	50
3.	Not concerned with the company/organization	10	10	11	19	50
4.	Poor wholesalers/dealers	12	15	17	6	50
<b>Total</b>		<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>

Sources: Primary Data

#### GARRET SCORE

An attempt has been made to analyze the difficulties to getting the products in the study area by using Garret Rank Method. Firstly the Garret ranks are calculated by using appropriate Garret Ranking Formula. Then based on Garret Rank, the Garret Table value is ascertained. The Garret Table value and scores of each difficulty in Table 1.11.2 are multiplied to record scores in Table 1.11.3. Finally by adding each row, the total Garret Scores are obtained.

$$100 (R_{ij} - 0.5)$$

$$\text{Percent Position} = \frac{\text{-----}}{N_j}$$

Table 1.11.2 indicates per cent and garret value for each difficulty.

**Table 1.11.2: Per cent Position and Garret Value**

S.No	Percent Position	Calculated Value	Garret Value
1.	$100(1-0.5)/4$	24.87	64
2.	$100(2-0.5)/4$	49.87	50
3.	$100(3-0.5)/4$	74.87	37
4.	$100(4-0.5)/4$	99.87	8

Sources: Computed Data

**Table 1.11.3: Calculation of Garret Score**

S. No	Difficulties	Rank				Total
		1	2	3	4	
1.	No prompt delivery	640	750	370	120	<b>870</b>
2.	Poor conduct with dealers/wholesalers	900	500	444	80	<b>1924</b>
3.	Not concerned with the company/organization	640	500	407	152	<b>1699</b>
4.	Poor wholesalers/dealers	768	750	629	48	<b>2195</b>

Sources: Primary Data

**Table 1.11.4: Difficulties of getting their products-Garret Ranking**

S. No	Difficulties	Total score/144	Average	Rank
1.	No prompt delivery	870/50	17.40	<b>IV</b>
2.	Poor conduct with dealers/wholesalers	1924/50	38.48	<b>II</b>
3.	Not concerned with the company/organization	1699/50	33.98	<b>III</b>
4.	Poor wholesalers/dealers	2195/50	43.88	<b>I</b>

Sources: Primary Data

Table 1.11.4 furnishes the Garret total scores and average scores. The first rank is **“Poor wholesalers/dealers”** second rank is “poor conduct with dealers/wholesalers” third rank is “not concerned with the company/organization” fourth rank is **“No prompt delivery”**. Hence, it is inferred that “Poor wholesalers/dealers” is the main difficulties to get their products.

### 1.12 OVERCOME THE DIFFICULTIES TO GETTING THEIR PRODUCTS

It is exhibit that how to overcome the difficulties to get their products.

**Table 1.12: Overcome the difficulties**

S. No	Overcome the difficulties	No. of. Respondents	Percentage
1.	Strong distribution network	14	28.00
2.	Good co-ordination	23	46.00
3.	Quick delivery of products by dealers/wholesalers as well as retailers	13	26.00
<b>Total</b>		<b>50</b>	<b>100.0</b>

#### Sources: primary Data

Table 1.12 shows that out of 50 respondents, (most 46.00 per cent) of the respondents are say to maintain the good co-ordination for overcome the difficulties.

### 1.13 COMPARED TO OTHER BRAND

It is explain that to evaluate the cavin kare products compared to other prodcuts.

**Table 1.13: Compared to other brand**

S. No	Compared to other brand	No. of. Respondents	Percentage
1.	Very poor	6	12.00
2.	Poor	8	16.00
3.	Medium	8	16.00
4.	Good	13	26.00
5.	Very good	15	30.00
<b>Total</b>		<b>50</b>	<b>100.0</b>

#### Sources: Primary Data

It describe that out of 50 respondents, (most 30.00 per cent) of the respondents are says that very good products compared to other products in the study area.

### FINDINGS OF THE STUDY

The findings are the following

- \* Most (38.00 per cent) of the respondents are in the age group of 25 to 35 years in the study area.
- \* It is understand that most (34.00 per cent) of the respondents are earn the income level is 20,000 to 30,000 per month.
- \* It is discovered that most (40.00 per cent) of the respondents come under the UG level.
- \* It is clear that most (46.00 per cent) of the respondents are covered in 1,00,000 to 1,50,000 of sales turnover per year in the study area.
- \* It is clearly shows that out of 50 respondents most (40.00 per cent) of the respondents are sales in products of Hair care products of cavin kare.
- \* It is revealed that most (48.00 per cent) of the respondents are dealing the skin care products of 1 to 2 years.
- \* It is exposed that most (46.00 per cent) of the respondents are dealing the personal care products of indica hair dye.
- \* It is ensured that most (50.00 per cent) of the respondents are dealing on indica hair dye.

- \* It is ensured that most (48.00 per cent) of the respondents are dealing on godrej hair dye.
- \* It is discovered that most (34.00 per cent) of the retailers are given the suggestions to increase the sales of products of cavin kare is company must spend more an advertisements in the study area.
- \* Table 1.12 shows that out of 50 respondents, (most 46.00 per cent) of the respondents are says to maintain the good co-ordination for overcome the difficulties.
- \* It describe that out of 50 respondents, (most 30.00 per cent) of the respondents are says that very good products compared to other products in the study area.

#### **Garret Ranking Method:**

It furnishes the Garret total scores and average scores. The first rank is **“Poor wholesalers/dealers”** second rank is **“poor conduct with dealers/wholesalers”** third rank is **“not concerned with the company/organization”** fourth rank is **“No prompt delivery”**.

#### **SUGGESTIONS**

- Most 34.00 per cent of the retailers are given the suggestions to increase the sales of products of cavin kare is company must spend more an advertisements. From the retailer point of view, cavin kare products needs frequent advertising (nonstop) continuously for its better sales. It is proposed by the retailers that cavin care products should make sponsorship with the T.V
- Most 46.00 per cent of the respondents are says to maintain the good co-ordination for overcome the difficulties. So, the retailers should co-ordinate the other retailers to increasing the sales of products.
- Most 48.00 per cent of the respondents are dealing the skin care products of 1 to 2 years. So, the company should develop the quality of products of skin care, hair care and personal care.
- Most 30.00 per cent of the respondents are says that very good products compared to other products. So, the company should develop their products and the necessary steps to take the retaining this stage.
- Most 46.00 per cent of the respondents are covered in 1,00,000 to 1,50,000 of sales turnover per year. So the organization should create the awareness of all products, using innovative techniques, to follow the CRM practices, etc., for increasing the sales turn over.
- The company should take necessary steps to take getting the products frequently to the retailers.

#### **CONCLUSION**

The crux behind the report “evaluation of awareness, acceptance and promotion of cavin kare products in Rajapalayam Taluk” is to know about the acceptance among the retailers of the products. This study will be a outline for cavin kare Pvt.Ltd., to know their position in the market. In general their products are more effective in the Indian markets to their natural nutritious products and their way of advertisement. The company must to produce still more number of products related to the consumer products. So that customers and retailers will not move to other brand or company products.

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### 34. A SWOT ANALYSIS OF FINANCIAL INCLUSION IN CONTEXT OF INDIA AND IT'S BANKING SECTOR

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#### **ABSTRACT**

*Now a day's money is one of the basic requirements of human beings. Growth of a country is depends on how money is utilized by its citizens. The availability of banking and payment services to the entire population without discrimination is the prime objective of this public policy. Normally the weaker sections of the society are completely ignored by the formal financial institutions in the race of making chunk of profits or the complexity involved in providing finance to the weaker section. There have been many formidable challenges in financial inclusion area such as bridging the gap between the sections of society that are financially excluded and the ambit of the formal financial system, providing financial literacy and strengthening credit delivery mechanisms so as to improvised the financial economic growth. The strength and opportunities, which are on identified being positive provides support while the weakness and threats are indicative to be negative in providing support to implementation aspects of FI. SWOT analysis provides suggestions on handling the weakness and threats, which identifies the demand and issues lying behind FI implementation. Suggestions were provided to improve the current scenario with inputs for future analysis. The study has been done through the secondary data gathered from newspapers, website of RBI in forms of bulletin, research journals etc. In conclusion it has been suggested that the government has to undertake this drive at a large level to bring the financially excluded in the scope of banking to foster the growth of the country.*

**KEYWORDS:** Financial Services, Financial Inclusion, Income, Savings, Vulnerable groups, SWOT analysis

#### **INTRODUCTION**

The banking sector has taken a lead role in promoting financial inclusion which acts as a passport to a range of financial products and services such as short term credit facilities, over draft facilities and credit card. Vulnerable people living in rural villages are devoid of access to financial services such as,

- [i] Affordable credit from banks,
- [ii] Handling savings account,
- [iii] Managing Payments & Remittance in banks,
- [iv] Getting financial advice for loans,
- [v] Utility of Credit/debit cards,
- [vi] Insurance facility for health, education,
- [vii] Empowering SHGs (Self Help Groups).

The government of India as well as the banking industry has recognized this imperative and has undertaken different fundamental changes over the last two decades. Hence in order to address the issues of financial inclusion, the Government of India constituted a "Committee

on Financial Inclusion". Not only in India, but financial inclusion has become an issue of worldwide concern, equally relevant economies of the under developed and developing nations. The Indian banking sector is very large having potential to serve its huge population and the Indian government has taken several efforts to promote and increase the momentum of financial inclusion in the economy. The efforts to increase the speed of financial inclusion started way back in 1969 with the nationalization of 14 banks of the country. The government has also started its much ambitious Jan dhan Yojana to increase the pace of financial inclusion and large number of accounts has been opened under it. The access to financial services by poor would lead to their consumption smoothing and investments in health, education and income generating activities, thus expanding growth opportunities for them. Inclusive growth if targeted systematically may lead to financial stability, asset building and economic mobility.

### **Government policy and efforts for Financial Inclusion**

- 1) Launch of Jan Dhan Yojana for promoting financial inclusion.
- 2) Opening of no frill accounts.
- 3) Mandatory for banks to open 25% of their branches in rural areas.
- 4) RBI's vision 2020 has an objective of creating nearly 600 million new customers' accounts.
- 5) Giving relaxation to banks to open branches in tier 3 to 6 having population below 50000 thousand to open branches with a general permission.
- 6) Permitting banks to utilize the services of NGOs, MFIs, to provide financial and banking services through the use of Bank Mitra (Business Correspondent)
- 7) For fostering financial awareness and making it simpler to understand preparation of and publication of financial diary, posters etc.
- 8) Relaxation of regulatory guidelines through a combination of strategies, using techno-based services with new financial products which cater to the need of weaker section of the society.
- 9) Making it compulsory for banks to undertake financial literacy activities once in a month.
- 10) To promote and create awareness among people who are ignorant of banking services and financial products through project "financial literacy" which includes several innovative models of promoting awareness by organizing competitions at school and college level, making these issues a part of the curriculum through state and Central board.

### **OBJECTIVES OF THE STUDY**

To do the SWOT analysis of Financial Inclusion in context of India and its banking sector i.e. to find its Strengths, weaknesses, opportunities and threats. The source of information for this study includes secondary data i.e. information gathered from the available literature through internet, journals and RBI bulletins.

### **The SWOT Analysis**

SWOT is an acronym for Strengths, Weaknesses, Opportunities and Threats. By definition, Strengths (S) and Weaknesses (W) are considered to be internal factors over which you have some measure of control. Also, by definition, Opportunities (O) and Threats (T) are considered to be external factors over which you have essentially no control.

### **STRENGTHS**

- 1) The country has huge population out of which 70% of the population lives in the rural areas of the country. Therefore, banks of both public and private sector have advantage of the situation as the untapped and unbanked rural population can become a big market for the banks.
- 2) Existence of the upper middle and middle-middle income group in the Indian society who along with good spending also save a lot, thus their savings is strength for the economy.

3) The banking sector of the country is quite big having a large number of players in the form of public and private sector banks. India has 57 grameen banks with more than 17,000 branches across the country. Thus, with the existence of these specialized banks who already deal with the rural consumer government can easily increase the momentum of financial inclusion.

4) The banking sector of the country is not only strong but has a wide range of financial products to meet the financial demands of upper and middle sections of the society.

5) The population of the country is both a strength and a threat but if it is seen from a positive perspective it is more a strength of the country as this population is useful in promoting financial inclusion.

6) The existence of the banks in both the sectors i.e. in public and private sector is also one of the strength of the economy. Both, banks of public and private sector go parallel strengthening the financial sector of the economy.

7) The government has fixed a target of issuing Aadhaar to almost every Indian by 2016. The flow of subsidies in the accounts opened under Jan Dhan Yojana which are Aadhaar seeded may increase the usage of these accounts and banking facilities by the rural households.

### **WEAKNESSES**

1) A majority of people fall in the lower income group also who are unable to meet their basic needs even and they are the ones who are to be brought in the purview of banking especially. Also, despite so many efforts a number of accounts opened under Jan Dhan Yojana are dormant with not even a single transaction done within 45 days after opening of the account.

2) The success of financial inclusion depends upon strong technology in terms of network, more number of towers etc all this needs to be improved as this is a weak area where the country needs to do improvement.

3) Lack of awareness about banking facilities and availability of different financial products and services among rural population is a big weakness of the economy.

4) The Business correspondents can be used to provide banking facilities but in absence of branches of banks the BCs Cannot receive trust and good response from the rural people as for them banking facilities simply mean a brick and mortar branch.

5) Under the BC model the business correspondent is required to report to the affiliated branch at the end of the day which increases the burden of the BCs thus, leading to less attraction amongst BCs to work due to cumbersome process.

6) The BCs have less freedom to work they work as per the terms and conditions of the bank and also, they deal in the limited financial services and products as per instructed by the bank.

7) Absence of different financial products that suit to the needs of weaker and poor sections of the society especially.

### **OPPORTUNITIES**

1) The country has a large unemployed population which can be utilized for promoting financial inclusion by making them a part of the delivery mechanism of the process in the form of business Correspondents (BCs) and business facilitators (BFs) and this unemployed population of the economy can be used for spreading financial literacy and bringing about financial inclusion.

2) A survey can be done on the targeted group to know about their choices and preferences about the type of financial products required.

3) Existing institutions such as grameen banks can be used effectively to expand access to financial services to the Poor.

4) Post offices if given full fledged permission to act as a bank can reach to even the most remote areas of the country as they already have a brick and mortar branch in the most

remote areas of the country thus, by using their services the government can save the expenses of opening of new branches in order to reach the unbanked people.

5) Existence of NBFCs in the economy can also be used as they like post offices can be used as an engine of promoting financial inclusion.

### **THREATS**

1) The commission given by banks to the business correspondents is very less due to which the people working as BCs are not very satisfied and are not very interested to work as BCs.

2) The huge population falling under the category that are to be banked belongs to the rural areas of the country, teaching, educating them and making them aware of the banking facilities' easy availability for them is a difficult task and may pose a challenge and threat to its speed.

3) The approach of banks especially the private sector banks for opening their branches in rural areas is very indifferent, they are realizing it just as a compulsion for them not a step to be taken willingly. This indifferent approach of private banks may pose a threat.

4) The success of BC model depends largely on BC whose success in turn depends upon the availability of the technology that too in the rural areas of the country and lack of availability of technology and network may pose a problem on ensuring the success of BC model and its smooth implementation.

5) A number of states are there like Assam where the percentage of issue of Aadhaar cards is very low connecting bank accounts with the Aadhaar card may pose a challenge in these states.

6) Achieving the target of issuing about 70 crore more Aadhaar cards by 2016 again looks a target difficult to be achieved if not taken seriously.

7) Finding the highly motivated workforce who can act as Business Correspondent competitively is a threat and retaining them in the profession again is a challenge as the success of this initiative largely depends upon the BCs.

### **CONCLUSION**

The government has taken several initiatives to promote the pace of financial inclusion in the country but what is the need of the hour is to convert the threats into opportunities by utilizing the excessive population of the country in promoting financial inclusion, spreading financial literacy in the country and efforts should be taken to bring the financially excluded in the scope of banking. The proposal suggests studying, analyzing methods to provide financial inclusion to the vulnerable groups or people below poverty line (BPL) such that they can play a major role in the upliftment of the country. Building an inclusive financial sector has gained growing global recognition bringing to the fore the need for development strategies which had touch all lives.

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### 35. AN ANALYSIS OF INVESTORS' ATTITUDE TOWARDS SHARE INVESTMENT IN MADURAI CITY WITH SPECIAL REFERENCE TO RELIANCE CAPITAL

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#### ABSTRACT

*An **attitude** is a hypothetical construct that represents an individual's degree of like or dislike for something. Attitudes are generally positive or negative views of a person, place, thing, or event— this is often referred to as the attitude object. The affective response is an emotional response that expresses an individual's degree of preference for an entity. The objective of the study is to find the significant difference and impact of attitude dimensions on overall satisfaction level of share investors in Madurai city. A structured questionnaire was used to collect the primary data and used books, articles and websites as secondary data. Based on the analysis and interpretation the study helped to the researcher to provide suggestions to Reliance capital as the company should provide educational material personalized to meet the investor's specific needs, should remove the investors fear by advertisement, should update the recent issues to their investors and regularly update the potential risks (based on the latest market situation) after the customers buy the shares.*

**KEY WORDS:** Attitude, dimensions, behaviour, share investors and overall satisfaction

#### INTRODUCTION

**Winston Churchill quotes "Attitude is a little thing that makes a big difference."**

Attitude is a hypothetical construct that represents an individual's like or dislike for an item. Attitudes are positive, negative or neutral views of an "attitude object": i.e. a person, behaviour or event. People can also be "ambivalent" towards a target, meaning that they simultaneously possess a positive and a negative bias towards the attitude in question. Attitudes are composed from various forms of judgments. Attitudes develop on the ABC model (affect, behavioral change and cognition).

In finance a share is a unit of account for various financial instruments including stocks, mutual funds, limited partnerships, and REIT's. In British English, the usage of the word share alone to refer solely to stocks is so common that it almost replaces the word stock itself. In simple Words, a share or stock is a document issued by a company, which entitles its holder to be one of the owners of the company. A share is issued by a company or can be purchased from the stock market. By owning a share you can earn a portion and selling shares the investors get capital gain. So, your return is the dividend plus the capital gain. However, you also run a risk of making a capital loss if you have sold the share at a price below your buying price. A company's stock price reflects what investors think about the stock, not necessarily what the company is "worth." Market forces and general investor opinions can also affect share price. So it is very necessary to know the attitude of the investors.

This research investigated the investors' attitude towards the share market and their satisfaction. This research also investigated how attitude vary between different age groups, different educational levels as well as between groups with different levels of investment. The dimensions of attitude that were examined were as follows: About educating activities, about the company, about the brokers/financial advisers, concern about share market, About



recent issues. The research base for this study was the population comprising the share market investors in Madurai city. Questionnaires were distributed to the investors in Madurai city and 377 questionnaires were returned.

### **RELIANCE CAPITAL**

Reliance Capital, a constituent of S&P CNX Nifty and MSCI India, is a part of the Reliance Group ([www.relianceadagroup.com](http://www.relianceadagroup.com)). It is one of India's leading and most valuable financial services companies in the private sector. It has interested in asset management and mutual fund; life and general insurance; commercial finance; stock broking; depository services; private equity and proprietary investments; exchanges, asset reconstruction; distribution of financial products and other activities in financial services.

Reliance Mutual Fund is India's largest Mutual Fund with over seven million investor folios. Reliance Life Insurance is amongst the leading private sector life insurers. Reliance General Insurance is amongst the leading private sector general insurers. Reliance Securities is one of India's leading broking houses. Reliance Money is one of India's leading distributors of financial products and services.

### **PROBLEM STATEMENT**

The Reliance Capital wants to improve the share investment. A **company's stock price** reflects what investors think about the stock, not necessarily what the company is "worth." Market forces and general investor opinions can also affect share price. So it is very necessary to know the attitude of the investors. Attitudes are positive, negative or neutral views of an "attitude object": i.e. a person, behavior or event. Winston Churchill quotes "Attitude is a little thing that makes a big difference." So the Reliance Capital wants to know the investor's attitude towards the company, concern about the share market, about the broker/financial adviser, recent issues in share market, about the activities to educate the investment. After that they take necessary steps to increase the share market as possible.

### **REVIEW OF LITERATURE**

An **attitude** is a hypothetical construct that represents an individual's degree of like or dislike for something. Attitudes are generally positive or negative views of a person, place, thing, or event— this is often referred to as the attitude object. People can also be conflicted or ambivalent toward an object, meaning that they simultaneously possess both positive and negative attitudes toward the item in question. Attitudes are judgments. They develop on the ABC model (affect, behavior, and cognition). The affective response is an emotional response that expresses an individual's degree of preference for an entity. The behavioral intention is a verbal indication or typical behavioral tendency of an individual. The cognitive response is a cognitive evaluation of the entity that constitutes an individual's beliefs about the object. Most attitudes are the result of either direct experience or observational learning from the environment.

#### **"An ASX study of share investors in 2004" Australian Stock Exchange**

Overall, investors reported positive attitudes towards shares and the share market. Some investors appeared torn between wanting to get more involved in the share market, and feeling they lack the required time or knowledge. Some also believed they have sufficient exposure to shares via blue chip shares and managed funds. For others, share trading brought a sense of enjoyment and satisfaction. They were confident about their trading decisions and believed they obtain better returns than the experts. Overall, share owners saw themselves as investors and not as traders, and preferred to invest in companies that are socially and environmentally responsible. However, the belief that one has to be prepared to lose the money one puts into shares was still evident.

**Janice Burns and Maire Dwyer** examines in their study to the New Zealand household's attitudes to various forms of saving and investment. From this study, Investment and savings attitudes and behaviour are influenced by the structure, complexity, transparency

and perceived past and future performance of different kinds of investment options; the general lack of independent financial advice; the recent superior performance of property investment; perceptions and personal tolerance of risk; the often low level of financial literacy about products other than property; the nature of the information people use when making financial decisions; the personal or family experience people have with investment; a general wish to have personal control over the investment and trust in the advice of friends and family over unknown professional advisors. Consumer decisions on saving are likely to be influenced by new or proposed changes in the investment. Overall, the findings suggest that consumers' current preference for investment in property has been a considered response, made in the light of a variety of factors and experiences.

**Oladipo Olufemi Adebayo *et al.*** Studied about the Nigerian Stock Market. The main objective of this study is to critically find out problems which have been affecting youth's attitude towards investment in the Nigerian Stock Market. The findings of this study revealed among other things that financial constraint contributed to the negative attitude of youths towards investment in the Nigerian Stock Market. On this note the study among other things recommended that good leadership, adequate dissemination of information and financial assistance from government would encourage the youth participation towards investment in Nigerian Stock Market. Moreover, members of the public especially the youths need to be educated and be informed on the advantages of investing in shares and stocks so as to improve the investment habit of the people.

**Alexander Kempf *et al.*** Investigates in their experimental study, the impact of emotions on risk and return estimates of stocks. Participants provide emotional ratings for each DAX30 company and forecast the one-year risk and return of its stock. We found that positive emotions lead to a prediction of high return and low risk, while negative emotions lead to a prediction of low return and high risk. The bias increases with participants' confidence in their ratings and decreases with financial literacy. We conclude that forms with a positive emotional appeal attract less financially literate and more emotional investors.

**Victor Dragota and Vlad Serbanescu, their study** provides some clues on the behaviour of Romanian investors on the stock market. Although the number of respondents is relatively low, it may emphasize some key aspects. Thus one can notice the level of education but also the relatively little experience in the field for most investors. Also the main sources of gathering information used by the investors may be of uncertain quality. The main investing strategy of the questioned subjects is highly speculative – (buy and sell), which may raise questions concerning the potential of the stock market to finance the local industries and the national economy. Basically there is dissociation between the idea of investing on a financial market and investing in the national economy. Perhaps to remedy this situation, it would take a set of shares aimed at including information (in respect of education) of the investors.

**Iqbal Mahmood *et al.*** implicit objective is to discover and remedy the deviations from the rational decision making in the investment process. The purpose of this study is to examine the role of various socioeconomic, demographic and attitudinal factors affecting the investment decision of investors in the market. A psychological based investment model has been developed which describes the impact of past investment experience of investors, variations in regulatory policies and asymmetric information, their marital status, gender, sensation seeking, on reinvestment intentions of investors and their return expectations through mediating role of risk propensity and risk perception.

## OBJECTIVES

An attitude understanding enables to increase the share investment and helps to improve the strategies implement.

1. To analyze the reasons for preferring investment over shares

2. To identify the specific barriers to invest in shares
3. To determine the significant difference between the attitude dimensions and over all satisfaction of share investors
4. To find the impact of attitude dimensions on over all satisfaction of share investors

## RESEARCH METHODOLOGY

Descriptive Research design adopted for this research. The population is infinite and “convenient sampling method” adopted for collecting the data. The researcher used RAO sampling calculator for decide sampling. Based on the calculation, the researcher collected 377 samples in Madurai those who are invested in share market. Conducting investor’s attitude study required the preparation of a detailed questionnaire which could capture all possible areas of their agreed levels. A well structured distinguished Questionnaire is used to collect the primary data. The questionnaire included forty seven questions. There were questions on a 5 point scale, where 5 was the Completely true, Highly concern, Highly satisfied and Extremely important. The major sources of secondary data were the documents and records of the organization, Published websites, annual reports and the literature review. Factor analysis, multiple regression, One way ANOVA, Correlation and Frequency Analysis were used to analyze the primary data.

## DATA ANALYSIS AND INTERPRETATION

### Reason for Investment

**Table 1: Reason for Investment**

Reason for Investment	Frequency	Percent
Short term income	78	20.7
High Return	108	28.6
Retirement	50	13.3
Children education	42	11.1
Business	79	21.0
Others	20	5.3
Total	377	100.0

Majority of respondents are saying the main reason for investment is high return on investment, having the percentage 28.6.

### Respectable Return on the Investment

**Table 2: Respectable Return on the Investments**

Respectable return on the investment	Frequency	Percent
1 - 5%	39	10.3
6 - 10%	148	39.3
11 - 15%	28	7.4
15 - 20%	58	15.4
20% on more	86	22.8
Not sure	18	4.8
Total	377	100.0

Maximum 39.3 percentage of respondents’ respectable return on the investment is 6-10%.

### Investment Period

**Table 3: Investment Period**

Investment period	Frequency	Percent
Less than one year	107	28.4
between 1- 3 years	191	50.7
Above 3 Years	79	21.0
Total	377	100.0

50.7 percentage of share investor's Investment period on shares is between 1- 3 years.

### Investment Amount

**Table 4: Investment Amount**

Investment Amount	Frequency	Percent
Less than Rs.5000	32	8.5
Rs.5000 -Rs.15,000	160	42.4
Rs.15,000 - Rs.25,000	70	18.6
Above Rs.25,000	115	30.5
Total	377	100.0

Majority 42.4 percentage of of respondents invested Rs.5, 000 to Rs.15, 000 in share market.

### Opinion of the Share Market

**Table 5: Opinion of the Share Market**

Opinion of the share market	Frequency	Percent
Somewhat unfavourable	4	1.1
Not sure	74	19.6
Somewhat favourable	162	43.0
Very favourable	137	36.3
Total	377	100.0

Majority 43 percentage of share investor's Opinion on the share market is Somewhat favourable.

### Descriptive Statistics

**Table 6: Descriptive Statistics**

Items in the Questionnaire	Rounded Off mean	Result
Accounting fraud at share market companies	4	Concern
The state of the Indian economy	3	Somewhat concern
The fear of losing money	4	Concern
Lack of trust in companies	4	Concern
Lack of trust in brokers/financial advisors in general	4	Concern
Thread of terrorism	2	Not concern
Lack of trust in your own financial advisor	3	Somewhat concern
Company's accounts	4	Satisfied
Trust	4	Satisfied
Investors' numbers	4	Satisfied
Stability	3	Neutral
Economy	3	Neutral
Keeping the best interest at heart in making or suggesting investment	4	Mostly true
Helping me develop my overall investment strategy and asset allocation	4	Mostly true
Teaching me how to make better investment decisions	3	Somewhat true/false
I receive service from the broker/financial adviser is satisfied	3	Somewhat true/false
Dishonesty	4	Mostly true
Market volatility in general	4	Mostly true
Accountability	4	Mostly true
Lack of confidence	4	Mostly true

The economy as a whole Conflict to interest between brokers and clients	3	Somewhat true/false
Lack of consumer protection	3	Somewhat true/false
Education materials personalized to my specific needs	4	Very important
Specific buy/sell recommendations from my broker/financial adviser	4	Very important
Investor-related websites	4	Very important
Analyst reports provided by brokerage or financial service firms	3	Moderately important
Seminars on specific investment topics	2	Slightly important
Booklets/information pamphlets	4	Very important

The above table 6 shows the descriptive statistics with the mean for the respondents of 377. The mean value is attained maximum in the item accounting fraud at share market companies which is the dimension of concern about the share market.

### Explorative Factor Analysis

From the Explorative Factor Analysis it concludes that out of 28 items, 8 components are extracted by applying Principal Component Method. They are listed below.

**Table 7: Extracted Components**

Extracted Components	Values
stability	0.624
Booklets/information pamphlets	0.704
Seminars on specific investment topics	0.359
The fear of losing money	0.436
Lack of trust in companies	0.282
Economy	0.534
Accountability	0.462
Lack of consumer protection	0.323

### ANALYSIS OF SIGNIFICANT DIFFERENCE

#### Hypothesis

$H_0$ = There is no significant difference between attitude dimensions and overall satisfaction level of share investors

$H_1$ = There is a significant difference between attitude dimensions and overall satisfaction level of share investors

The table 8 shows that the overall F's for share investor's attitude dimensions of Madurai city are significance or not by using the ANOVA program. From the investor's attitude dimensions (concern about share market, about the company, about the brokers/financial advisers, about recent issues, about educating activities) of Madurai city differ significantly where F ratio is used to determine size of the mean differences for each individual independent variables comparison, concern about share market  $F(4,372) = 5.987$ ,  $P=0.000$ , about the company  $F(4,372) = 3.058$ ,  $P=0.017$ , about recent issues  $F(4,372) = 8.299$ ,  $P=0.000$  and about educating activities  $F(4,372) = 6.135$ ,  $P=0.000$ . The test between groups shows that F ratio for concern about share market, about the company, about recent issues, about educating activities are statistically significant ( $p < 0.05$ ) level. Hence it is concluded that there is a significant difference among level of concern about share market, about the company, about recent issues, about educating activities of share market investor's attitude based on investor's Overall Satisfaction.

**Table 8: ANOVA- Overall satisfaction Vs attitude dimensions**

Attitude dimensions		Sum of Squares	df	Mean Square	F	Sig.
concern about share market	Between Groups	8.469	4	2.117	5.987	0.000
	Within Groups	131.559	372	0.354		
	Total	140.028	376			
About the company	Between Groups	5.269	4	1.317	3.058	0.017
	Within Groups	160.244	372	0.431		
	Total	165.513	376			
About the brokers/ financial advisers	Between Groups	8.969	4	2.242	2.177	0.071
	Within Groups	383.215	372	1.030		
	Total	392.184	376			
About recent issues	Between Groups	8.784	4	2.196	8.299	0.000
	Within Groups	98.433	372	0.265		
	Total	107.217	376			
About educating activities	Between Groups	13.628	4	3.407	6.135	0.000
	Within Groups	206.586	372	0.555		
	Total	220.214	376			

**IMPACT ANALYSIS**

The metric's validity is assessed empirically by examining its predictive or criterion- related validity - i.e., the extent to which the attitude dimensions scores can predict overall satisfaction of share investors in Madurai city.

**Testing of Hypothesis**

H<sub>0</sub>: There is an absence of significant evidence that attitude dimensions will have a significant impact on overall satisfaction of share investors.

H<sub>1</sub>: There is significant evidence that attitude dimensions will have a significant impact on overall satisfaction of share investors.

**Predictors of overall satisfaction of share investors**

The multiple regressions are applied to analyze the attitude dimensions as independent variable against a separate measure of overall satisfaction of share investors as dependent variable. The items are summed up to reproduce the five original dimensions which are analyzed separately against the overall satisfaction of share investors.

**a) Variables Entered****Table 9: Variables Entered**

Model	Variables Entered	Method
1	concern about share market, about the company, about the brokers/financial advisers, about recent issues, about educating activities.(a)	Enter

a. All requested variables entered.

b. Dependent Variable: Overall satisfaction of share investors

**b) ANOVA****Table 10: ANOVA - Dependent Variable**

Dependent Variable		Sum of Squares	df	Mean Square	F	Sig.
Overall satisfaction of share investors	Regression	11.481	4	2.870	4.484	0.002(a)
	Residual	238.137	372	0.640		
	Total	249.618	376			

- a. Predictors: (Constant), about educating activities, about the company, about the brokers/financial advisers, concern about share market, about recent issues  
 b. Dependent Variable: satisfaction level for the share Investment

The table 10 tests the acceptability of the model from a statistical perspective. This is the source of variance, regression, residual and total. The Total variance is partitioned into the variance which can be explained by the independent variables (Regression) and the variance which is not explained by the independent variables (Residual, sometimes called Error). Df - These are the degrees of freedom associated with the sources of variance Here the degrees of freedom is 4, The Residual degrees of freedom is the DF total minus the DF model,  $376 - 4 = 372$ .

The above mean Squares of ANOVA is calculated by sum of squares divided by their respective degrees of freedom, where mean square value for regression is  $11.841/4 = 2.870$  and for the residual is  $238.137/372 = 0.640$ . The ANOVA table shows F-Ratio for the regression model which indicates the statistical significance of the overall regression model. The F-ratio is the result of comparing the amount of explained variance to the unexplained variance. The F-value is the mean square regression (3.686) divided by the Mean Square Residual (0.640). The p-value associated with this F value is very small (0.002). The significance value of the F-Statistic is less than 0.05. In this table the significance variable is less than 0.05 so that the group of variables concern about share market, about the company, about the brokers/financial advisers, about recent issues, about educating activities can be used to reliably predict Overall satisfaction of the share investor. (The dependent variable).

#### c) $R^2$ Model Summary

**Table 11: Summary of regression model**

Dependent Variable	R	R Square	Adjusted R Square
Overall satisfaction of share investor	<b>0.218<sup>a</sup></b>	<b>0.047</b>	<b>0.034</b>

- a. Predictors: (Constant), About educating activities, About the company, About the brokers/financial advisers, concern about share market, About recent issues  
 b. Dependent Variable: satisfaction level for the share Investment

The model summary table 11 reports the strength of relationship between the model and dependent variable, overall satisfaction of share investor and attitude dimensions as independent variables of share investors.

The R-square shows the percentage of variation in one variable that is accounted by another variable. R square ( $R^2$ ) is the correlation coefficient squared; also it is referred as the coefficient of determination. The adjusted R-square attempts to yield an honest value to estimate the R-squared for the population.

The value of adjusted R-square is 0.034 meaning that 34% of the variance in overall satisfaction can be predicted from the combination of concern about share market, about the company, about the brokers/financial advisers, about recent issues, about educating activities.

#### d) Regression Coefficient

The above table 12 shows that the relative importance of significant predictors is determined by looking at the standardized coefficient. For the Overall satisfaction, concern about share market has the highest standardized coefficient with the lowest significance ( $p \leq 0.05$ ) which means that "concern about share market" dimension is the main predictor. By analyzing whole table results, the orders of significance for predictor dimensions of overall satisfaction of the share investors is concern about share market, but not about recent issues.

**Table 12: Regression Coefficient**

Independent Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.807	0.365		7.699	0.000
concern about share market	0.185	0.080	0.139	2.310	0.021
About the company	0.093	0.075	0.075	1.237	0.217
About the brokers/financial advisers	-0.019	0.043	-0.024	-0.451	0.652
About recent issues	0.097	0.095	0.064	1.017	0.310
About educating activities	-0.042	0.058	-0.039	-0.721	0.471
Dependent Variable: satisfaction level for the share Investors					

**e) Predicted value of Overall satisfaction for share investors****Table 13: Predicted regression equations**

Predicted Value	Regression equation
Y <sub>1</sub> predicted (Overall satisfaction for share investors)	2.807+(0.185)* concern about share market+(0.093)* About the company+ (-0.019)* About the brokers/financial advisers+ (0.097)* About recent issues+(-0.042)* About educating activities

The predicted value (regression equation) impacts of overall satisfaction of the share investors is calculated and the results are shown in above table 13.

**SUMMARY OF FINDINGS**

The majority of the share investors are male belongs to the age group of 18-29 Years and married. Their educational qualification is degree, working as government employee and earning 1.5 to 3 lakhs per year. Their opinion about the share market is somewhat favourable. The investment amount is Rs.5000 to Rs.15, 000 with the period of investment 1 to 3 years and the respectable return on the investment 6-10%. The main reason for investment is high return on investment.

In factor analysis out of 28 items only 8 components are extracted. The components are following. stability, Booklets/information pamphlets, Seminars on specific investment topics, The fear of losing money, Lack of trust in, Economy, Accountability, Lack of consumer protection

The share investors' attitude about the brokers/financial advisers dimension has no significant difference on their overall Satisfaction.

In predictive validity, R<sup>2</sup> Model Summary reveals that 34 % of variance in overall satisfaction can be predicted from the combination of attitude Dimensions. The "concern about share market" dimension is the main predictor.

**CONCLUSION**

The share market creates opportunities for companies and government to raise medium and long-term funds for investors hence providing various investment opportunities. This study provides evidence that attitudes play an important role in investing and retaining the share market. The investors are having different attitudes on share market. From the attitude dimensions the concern about the share market is ruling the first place in investors mind. And commonly the investors want minimum return with low level risk. Their expecting period of investment is also very short. Minimum return with short period and safety for investment are encouraged the investors to invest in the share market. To increase the investment, the



company should create the awareness about the share market in the investors mind. And the company should provide educational material personalized to meet the investor's specific needs. The company should take extra care for their investors after the investment. That only helps to increase and retain the share investment.

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### 36. VOLATILITY BEHAVIOUR OF SAMPLE SECTORAL INDICES IN NATIONAL STOCK EXCHANGE

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#### ABSTRACT

*Volatility is a measure of the price movements of financial instruments. It is the relative rate at which the price of a security moves up and down in the stock market. If the price of stock moves up and down rapidly over a short time, it has high volatility and if the price changes at lesser rate, it has low volatility. The present study aims to discuss the volatility of returns of two sectoral indices and sample stocks from those indices of the National Stock Exchange (NSE). The volatility of select indices of NSE was tested with the help of Descriptive Statistics, Autocorrelation and GARCH. The GARCH model indicated that two indices and stocks did not record high volatility during the study period. The present study would help the retail investors to invest the money in the best performing index. This study shows that the NSE Bank Index earned better returns during the study period and the investors, who invested in these indices, earned maximum returns in the stock market operations.*

#### INTRODUCTION

Stock Markets refer to a market place where investors buy and sell stocks. The price at which buying and selling transaction takes place is determined by the market forces. A stock market or equity market is a public entity for the trading of company's stock (shares) and derivatives at an agreed price and these are securities listed on a stock exchange. A Stock Exchange provides trading facilities to trade equity stocks and other securities. It also provides facilities for the issue and redemption of securities as well as other financial instruments. The securities traded on a stock exchange include shares issued by companies, indices pooled investment products and bonds. There are 23 stock exchanges which comprise of two national entities - BSE, NSE and over 21 other regional exchanges. The BSE and NSE are the most influential Stock Exchanges in India. The National Stock Exchange of India was originally established in the City of Mumbai 18 years ago in 1992. NSE is the largest stock exchange in India in terms of daily turnover and trading volume in both equity and derivative trading. NSE is mutually owned by a set of leading financial institutions, banks, insurance companies and other financial intermediaries in India but its ownership and management operate as separate entities.

#### 1. MARKET EFFICIENCY

An efficient market is one in which the market price of a security is an unbiased estimate of its intrinsic value. Market Efficiency is defined in relation to information that is reflected in the security prices. **Eugene Fama** suggested that it is useful to distinguish three levels of market efficiency like Weak Form, Semi-Strong Form and Strong Form. In the Weak Form Efficiency, the prices reflect all the information found in the record of past prices and volumes. Under Semi-Strong Form Efficiency, the prices reflect not only all information found in the record of past prices and volumes but also all other publicly available information. In Strong Form Efficiency, the prices reflect all available information, public as well as private.

## 1.2 Volatility

Volatility refers to the amount of uncertainty or risk about the size of changes in a security's value. A higher volatility means that a security's value can potentially be spread out over a larger range of values. This means that the price of the security can change dramatically over a short time period in either direction. A lower volatility means that a security's value does not fluctuate dramatically but changes in value at a steady pace over a period of time. To study the volatility, Garch Model was used.

## 2. REVIEW OF LITERATURE

An attempt has been made in this section to review the earlier research works undertaken in the area of capital market efficiency to understand the research gap and methodology adopted by researchers and findings of earlier studies.

**Campbell R. Harvey and Robert E. Whaley** (1992) investigated the dynamic behavior of market volatility. The study observed that after transaction costs, a trading strategy based upon out-of-sample volatility changes did not generate economic profits. The study supported the notion that S & P 100 index option market is allocationally efficient.

**Dimitrios Tsoukalas** (2000) examined the predictability and volatility in three major stock markets (US, UK and Japan). It was found that the stock returns were predictable. Besides, there was persistence in the variance of stock returns and predictability and the persistence was attributed to common sources of information.

**Kin-Yip Ho and Albert K C Tsui** (2004) probed the applicability of volatility behavior of aggregate indices to the Sectoral Indices. The study found the leverage effects of equity returns in the market.

**Haitham Al-Zoubi and Bashir Kh. Al-Zubi** (2007) examined the market efficiency and studied asymmetric effect and time varying risk return relationship for daily stock return of Amman Stock Exchange (ASE). The result showed that the stock return followed an ARMA (1, 1) stochastic process with significant serial correlation.

**Prabahar R, et.al** (2008) studied the return and risk element of investing in the shares of Indian Information Technology Industry. It was found that the daily average mean returns of the six companies were lower than the daily mean return of the indices. Besides, the volatilities of the stock returns over the study period were much higher than that of indices. According to this study, the unsystematic risk of the IT stocks was higher than the systematic risk.

**Joseph Anbarasu D and Srinivasan S** (2009) examined whether the Indian Stock Market, during the time of financial crisis and the meltdown across the world, adjusted to the new information or not. The study found that there existed fatter tail and greater risk of extreme outcomes.

**Som Sankar Sen** (2010) analysed daily time series data of S & P CNX NIFTY. The study attempted to fit the data into GARCH (1,1) model to find conditional variances. According to this study, there were some macroeconomic variables which could influence the market volatility and the scrip level analysis was useful to capture the influence of company specific factors on scrip level volatility.

**Pasupuleti Venkata Vijay Kumar and Piyush Kumar Singh** (2011) examined the liquidity of the sectoral indices and market index on the basis of price returns. The liquidity measure on the basis of Market Efficiency Coefficients (MEC), found that the indices of sectors like health care, consumer durables and the auto recorded high long term variance in the returns whereas oil and gas sectors recorded a lower value.

**Santhosh Kumar and Lagesh M.A** (2011) investigated price volatility and hedging of four commodity futures indices. GARCH (1, 1) Model was employed to measure the spot return volatility of respective indices. The analysis of volatility was based on GARCH models by employing hedged return and variance reduction approaches.

**Usha Rajagopalan et.al** (2013) examined the factors that influenced volatility in the equity market as these factors would give a more realistic picture surrounding volatility. The

results of this study show that there was no significant correlation between the equity market volatility and institutional arrangements.

### **3.0 STATEMENT OF THE PROBLEM**

The Capital Market is a vital institution as it facilitates economic development. It is true that so many parties are interested in knowing the efficiency of the Capital Market. The small and medium investors could be motivated to save and invest in the capital market only if their securities in the market are appropriately priced. But more number of peoples does not know how to invest the money in correct indices in Indian Share Market. Besides, the investors do not have any idea about which company and which indices are best in India. The previous studies tested the efficiency and volatility in global stock market, namely, Ghana Stock Market, Palestinian Stock Market, Russian Stock Market and also tested the random walk for various popular indices. But in India, few studies have examined the daily values, weekly values and monthly values of the stock market in particular stock indices, like S&P CNX Nifty, BSE 100 Index, and Nifty Junior etc. It is to be noted that no researcher has used the daily returns in previous studies. So the main problem of the investors is that they do not know how to invest the money in returns-earning indices. Besides, there was no comprehensive study carried out to test the volatility behavior of the different sectors and stocks of a stock exchange in the Indian Context. Hence, the present study aims to investigate the volatility of selected stocks in NSE Bank Index and selected stocks in financial services Index using the daily returns.

### **4.0. OBJECTIVES OF THE STUDY**

The objectives of the present study are as follows.

1. To study the returns of the sample stocks in NSE Bank Index and Financial Services Index
2. To analyse the normality distribution about the sectoral indices and selected stocks in NSE Bank Index and Financial Services Index.
3. To measure the market efficiency in the returns of sectoral indices and selected stocks in NSE Bank Index and Financial Services Index.
4. To tested the volatility behavior in the returns of sectoral indices and selected stocks in NSE Bank Index and Financial Services Index.

### **5.0. HYPOTHESES OF THE STUDY**

The present study tests the following null hypothesis.

1. **NH1.** There is no normality distribution in the returns of the Sectoral Indices and selected stocks in NSE Bank Index and Financial Services Index.
2. **NH2.** There is no significantly efficient in the returns of the Sectoral Indices and selected stocks in NSE Bank Index and Financial Services Index.
3. **NH3.** There is no risky volatile in the returns of the Sectoral indices and selected stocks in NSE Bank Index and Financial Services Index.

### **6.0. METHODOLOGY OF THE STUDY**

#### **6.1 Selection of the Sample**

The study attempts to test the volatility behavior of sectoral indices and selected stocks in daily bank index and financial services index returns. The sample bank stocks and financial services stocks were taken from NSE Bank Index and financial services Index. There are totally 12 banks listed in NSE Bank Index and 15 stocks listed in NSE Financial Services Index as on. 01<sup>st</sup> February 2018. Out of those stocks, top five banks from NSE Bank Index and top five stocks from NSE Financial Services Index. The details of selected stocks are given in **Table-1**.

#### **6.2 Source and Collection of Data**

The study mainly depended on secondary data. The required data regarding daily stocks returns of NSE Bank Index and NSE Financial Services Index were collected from the

CMIE PROWESS Corporate Database and [www.nseindia.com](http://www.nseindia.com). The other required data were collected from various books, journals and magazines.

### 6.3 Period of the Study

The study analyzed the daily stocks returns of volatility of sectoral analysis listed in NSE Bank Index and NSE Financial Services Index for five years from 1<sup>st</sup> January 2011 to 31<sup>st</sup> December 2017.

### 6.4 Tools Used for Analysis

For the purpose of analysis of sectoral analysis in Indian Stock Market, the following tools were used.

#### (i) Descriptive Statistics

##### (a) Mean

The mean is calculated by using following formula.

$$\bar{X} = \frac{1}{n} \sum_{i=1}^n x_i \quad \text{ED Equation.3}$$

##### (b) Standard Deviation

The standard deviation of a random variable  $X$  is defined as:

$$\begin{aligned} \sigma &= \sqrt{E((X - E(X))^2)} = \sqrt{E(X^2) - (E(X))^2} \\ &= \sqrt{\text{Var}(X)} \end{aligned}$$

Where,

$E(X)$  is the expected variable of  $X$ , and

$\text{Var}(X)$  is the variance of  $X$ .

##### (c) Skewness

Skewness is a measure of symmetry, or more precisely, the lack of symmetry. A distribution or data set is symmetric if it looks the same to the left and right of the centre point. The skewness for a normal distribution is zero, and any symmetric data should have skewness near zero. Negative values for the skewness indicate data that are skewed left and positive values for the skewness indicate data that are skewed right. The skewness is calculated as follows,

$$\text{skewness} = \frac{\sum_{i=1}^N (X_i - \bar{Y})^3}{(N-1)s^3}$$

Where,

$\bar{Y}$  is the mean,

$S$  is the standard deviation and

$N$  is the number of data points.

##### (d) Kurtosis

Kurtosis is a measure of whether the data are peaked or flat relative to a normal distribution. That is data sets with high kurtosis tend to have a distinct peak near the mean, decline rather rapidly, and have heavy tails. Data sets with low kurtosis tend to have a flat top near the mean rather than a sharp peak. A uniform distribution would be the extreme case. The kurtosis is defined as,

$$\text{kurtosis} = \frac{\sum_{i=1}^N (X_i - \bar{Y})^4}{(N-1)s^4}$$

Where,  $\bar{Y}$  is the mean,

$S$  is the standard deviation and

$N$  is the number of data points.

**(ii) GARCH Model:**

A deficiency of ARCH (q) models is that the conditional standard deviation process has high frequency oscillations with high volatility coming in short burst. GARCH models (p, q) permit a wider range of behavior, in particular more persistent volatility. **Bollerslev (1986)** proposed a more generalized form of the ARCH (m) Model appropriately termed the GARCH Model which has two equations. Numerous parametric specifications for the time varying conditional variance have been proposed in the literature. This is the formula to calculate the GARCH Model:

$$\sigma_t^2 = \alpha_0 + \alpha_1 u_{t-1}^2 + \alpha_2 u_{t-2}^2 + \dots + \alpha_q u_{t-q}^2 + \beta_1 \sigma_{t-1}^2 + \beta_2 \sigma_{t-2}^2 + \dots + \beta_p \sigma_{t-p}^2$$

**7.0. LIMITATIONS OF THE STUDY**

The study suffers from the following main limitations.

1. The study was based only on secondary data, and hence it is riddled with certain limitations, which are bound to be connected with the secondary data.
2. This study focused only on NSE Bank Index and Financial Services Index.
3. The study covered a period of only five years from 2011 to 2015.
4. All the limitations associated with various tools like Summary Statistics, Autocorrelation Test, GARCH model are applicable to this study also.

**8.0 ANALYSIS OF STOCKS IN NSE BANK INDEX AND FINANCIAL SERVICES INDEX**

For the purpose of this study, the analysis of Volatility was arranged as follows:

8.1 Summary Statistics for Sectoral Indices and Selected Stocks in NSE Bank Index and Financial Services Index

8.2 The analysis of Autocorrelation Test for Selected Stocks in NSE Financial Services Index

8.3 Volatility of daily returns using GARCH (1, 1) Model for Sectoral Indices and Selected stocks in NSE Bank Index and Financial Services Index.

**8.1 Summary Statistics for Sectoral Indices and selected stocks in NSE Bank Index and Financial Services Index**

**Table-2** depicts the normality of daily returns using Descriptive Statistics for the sample stocks in NSE Bank Index and Financial Services Index taken for this study. As stated earlier, the Mean, Standard Deviation, Skewness and Kurtosis were used for analysis of normality of daily returns. It is to be noted from the analysis of the Table that the mean average daily returns were positive for all sample stocks in NSE Bank Index namely, Axis Bank, HDFC Bank, ICICI Bank Ltd, SBI and Yes Bank Ltd. However, the daily mean return was high for SBI (0.0010), compared to the other sample stocks in both indices. NSE Bankex earned high return (0.0004) while NSE Financial Services Index accounted for the lowest return (0.0003) during the study period. The SBI earned the highest standard deviation (0.03256) in both indices, like NSE Bank Index and NSE Financial Services Index, which indicates the highest risk. The analysis of standard deviation in the returns of NSE Bank Index was 0.0157 and NSE Financial Services Index was 0.0148. It is clearly understood that the NSE Bank Index was highest standard deviation and it indicate highly risk. It is clearly understood from the analysis of skewness for the daily returns for two indices and selected stocks were registered positive values. According to the analysis of Kurtosis, recorded values were positive for all selected stocks and both indices during the period of study. It is seen that out of five stocks in NSE Bank Index, all the stocks earned a value above the level of 3 except one stock like SBI (2.404). The values of four stocks in Financial Services Index [Axis Bank (3.051), HDFC Bank (6.423), ICICI Bank (3.419) and Reliance Capital Ltd (4.140)] as shown in the Table, were more than 3 and they were leptokurtic. The value of only one stock in Financial Services Index [SBI (2.404)] as clearly indicate that the Table, were below the value of three, it's indicate that the platykurtic. It is clearly understood from

the analysis of kurtosis that one index was below the value of three, namely NSE Bank Index (1.985) and the other index of NSE Financial Services Index was more than the value of three. It is to be noted that the maximum number of stocks are not normally distributed during the study period. Hence the Null Hypothesis (NH1) **“There is no normality distribution in the returns of the Sectoral Indices and selected stocks in NSE Bank Index and Financial Services Index”** is accepted.

## **8.2 Volatility of daily returns using GARCH (1, 1) Model for Sectoral Indices and Selected stocks in NSE Bank Index and Financial Services Index.**

**Table-3** shows the results for daily share price returns of NSE sample sectoral indices during the study period from 01.01.2011 to 31.12.2017. It is to be noted that the NSE Bank Index, out of five banks four banks, like Axis Bank, HDFC Bank, ICICI Bank and Yes Bank did not volatile at the high level. The remaining one bank, namely, SBI (1.468863) indicate that the high level of volatile during the study period. At the same time the NSE Bank Index was not more volatile. According to the analysis of GARCH Model, the values ( $\alpha + \beta$ ) of all selected stocks were not more than the value of one, except one stock (SBI). It is seen that out of five sample stocks, the values of ( $\alpha + \beta$ ) four sample stocks were 0.892095 (Axis Bank), 0.351796 (HDFC Bank), 0.599744 (ICICI Bank) and 0.957334 (Reliance Capital). The value for SBI was 1.46863, which was higher than the value of one. Its indicate that the highly volatile. It is important that the value of  $\alpha + \beta$  for NSE Financial Services Index is less than the value of one, its low volatile during the study period.

Hence, the Null Hypothesis (NH3), namely, **“There is no risky volatile in the returns of the Sectoral indices and selected stocks in NSE Bank Index and Financial Services Index”** is accepted.

## **9. FINDINGS OF THE STUDY**

The following are the important findings of the study.

1. All the selected stocks for this study earned positive returns. Especially the SBI earned a highest return (0.0003) in NSE Bank Index and NSE Financial Services Index.
2. The analysis of standard deviation was recorded the highest risk in SBI (0.03256).
3. The results of Autocorrelation for SBI and Yes Bank in NSE Bank Index revealed significant returns at 5% level and SBI in NSE Financial Services Index regarded 5% significant level.
4. The analysis of autocorrelation indicate that the two sample indices were significant at 5% level, but not at the majority period.
5. According to the analysis of GARCH (1,1) Model, the values for sample indices for NSE bank Index and NSE Financial Services Index were less than the value of one during the study period.
6. The analysis of volatility by using GARCH (1, 1) Model confirms the fact that based on daily return, the stock market (NSE) in India was not more volatile during the study period.

## **10. CONCLUSION**

The study analyzed the returns of Sectoral Indices and selected stocks listed in NSE Bank Index and NSE Financial Services Index. It is found that the returns of two indices NSE bank Index were well performed during the study period. It is analyzed the market efficiency of those indices and selected stocks were did not market efficient in weak form. The analysis of GARCH Model showed that the daily returns of sectoral indices and selected stocks recorded some fluctuations in the Indian Stock Market, but not at the highly fluctuate movement.. It is to be noted that the analysis from the Table indicates that the daily return movements of sectoral indices and selected stocks in NSE Stock

Index and NSE Financial Services Index were not high, except one stock like SBI in both the indices during the study period

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**Table-1: List of the Selected Stocks in NSE Bank Index and NSE Financial Services Index**

Sl.No	Name of the Stocks
<b>NSE Bank Index</b>	
1	Axis Bank
2	HDFC Bank
3	ICICI Bank
4	SBI
5	Yes Bank
<b>NSE Financial services Index</b>	
1	Axis Bank
2	HDFC Bank
3	ICICI Bank
4	Reliance Capital
5	SBI

Source: collected from [www.nseindia.com](http://www.nseindia.com)



**Table-2: Descriptive Statistics of Sectoral Indices and selected stocks in NSE Bank Index and NSE Financial Services Index**

Name of the Stocks	Mean	Standard Deviation	Skewness	Kurtosis
<b>NSE Bank Index</b>	0.0004	0.01579	0.190	1.985
<b>Axis Bank</b>	0.0000	0.03202	0.578	3.051
<b>HDFC Bank</b>	0.0001	0.02718	0.594	6.423
<b>ICICI Bank</b>	0.0004	0.03057	0.291	3.419
<b>SBI</b>	0.0010	0.03256	0.925	2.404
<b>Yes Bank</b>	0.0007	0.03200	0.727	3.527
<b>NSE Financial Services Index</b>	0.0003	0.01183	0.109	3.629
<b>Axis Bank</b>	0.0000	0.03202	0.578	3.051
<b>HDFC Bank</b>	0.0001	0.02718	0.594	6.423
<b>ICICI Bank</b>	0.0004	0.03057	0.291	3.419
<b>Reliance Capital Ltd</b>	0.0000	0.02813	0.079	4.140
<b>SBI</b>	0.0010	0.03256	0.925	2.404

Source: Computed by using SPSS

**Table-3: Results of Volatility using GARCH (1, 1) Model for Sectoral Indices and Selected stocks in NSE Bank Index and NSE Financial Services Index**

Name of the Indices and Stocks	$\alpha$	$\beta$	$\alpha+\beta$
<b>NSE Bank Index</b>	0.049561	0.929991	0.979552
<b>Axis Bank</b>	0.001616	0.890479	0.892095
<b>HDFC Bank</b>	0.313948	0.037848	0.351796
<b>ICICI Bank</b>	0.002292	0.597482	0.599774
<b>SBI</b>	0.780497	0.688366	1.468863
<b>Yes Bank</b>	0.069178	0.901673	0.970851
<b>NSE Financial Services Index</b>	0.036541	0.432651	0.969192
<b>Axis Bank</b>	0.001616	0.890479	0.892095
<b>HDFC Bank</b>	0.313948	0.037848	0.351796
<b>ICICI Bank</b>	0.002292	0.597482	0.599774
<b>Reliance Capital</b>	0.061290	0.896044	0.957334
<b>SBI</b>	0.780497	0.688366	1.468863

Source: Computed by using E-views.

### **37. IMPACT OF NIGHT SHIFT WORK IN THE PRODUCTIVITY OF THE SPINNING MILL IN RAJAPALAYAM**

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#### **INTRODUCTION**

In today's economy it is very important to keep up with the competition and put out the best product with the minimum amount of cost and time as possible. Many companies have turned out to the twenty-four hours a day work schedule. The idea behind this change is to increase productivity by having employees at work all day and at all time. When a company needs to its increase production and is currently only operating its manufacturing facility during the day time only, starting a night shift is an option.

Shift work has become a permanent and extensive feature of contemporary industrial society. The impact of shift work has become significant on the shift workers as well as on the business. A complete night's rest is a rare treat for any shift worker. Employers often struggle to understand certain behavioral patterns of their employees, and how to deal with those problems.

Challenged by the normal cycle of urban life and resisted by the natural rhythms of the body, the shift work cycle represents a violation of a centuries old pattern of day and night. As a result, shift workers have great problems in getting to sleep, and they are more tired at work. A differentiated analysis of the different shift systems adds significance to our understanding of the impact of shifts. Apart from protecting the bottom line, business men are trying to understand what employee's assistance programs to be used when job performance are impaired by personal problems, of which shift works are the reason.

The study is focused on how accident and illnesses related to shift work. Medical facilities are very important to provide proper assistance and service to shift operations. The study will look at the current facilities, the targeted time of focus and compare it with other manufacturing plants also operating a continuous operation. It is important to understand whether shift work provides proper working conditions in order to rectify the problems of workers related to health and safety. Family relation and social participation forms an integral part of any person's life. Therefore the organization looks at how social relations, domestic relations, child care and education are being affected by shift work.<sup>1</sup>

In this study disclose Night shifts are vital for managing the productivity of employer and employees.

#### **STATEMENT OF THE PROBLEM**

The impact of shift work has many positive and negative effects of the shift worker's work and their social life. The study is made to assist the employer to have a better understanding of the impact of shift work. Increased demand put pressure on the manufacturer to increase supply. In order to avoid shortage of production in production line, the most logical way is to increase the shift work on production.

Fixed cost can be shared among all the shifts and therefore it reduces the manufacturing cost. Capital investments supporting new technology at high cost etc involves huge investment and in order to deliver paybacks on expenditure, maximum use and output are required. At the Same time, the workers who move from shift work to normal day work had fewer complaints as regard to physical and mental health, their sleep improved their health and their sick leave

requirements diminished. According to the Industrial Health Research Group(IHRG), workers are of the view that most injuries take place at night than during the day. The main reason given for this high rate was that there is an inherent tiredness at night shift.

The study focuses on the following areas where the shift worker and the employer are negatively affected by shift work.

- Effect on physical health
- Effect on family relations and social participation
- Psychological effects of shift work
- Attitude towards shift work
- Impact on the organization.

### **OBJECTIVES OF THE STUDY**

The following objectives are pursued for this study:

- To know the history of spinning mill in Rajapalayam.
- To study the impact of Night shift workers in spinning mill
- To find out the impact of Night shift work in the productivity of the spinning mill.
- To analyze the health problem of night shift workers in spinning mill.
- To offer suggestion for the improvement of night shift workers attitude towards the management.

### **SCOPE OF THE STUDY**

Rajapalayam is a well-known town in Tamilnadu and India for its industrial business such as spinning mill. The data have been collected from the respondents of spinning mills in Rajapalayam. The research is focuses on "Impact of night shift work in the productivity of the spinning mills in Rajapalayam". The study covers the nature of work and its working condition, training and development, promotion policy, nature of productivity and other issues related to night shift work in the spinning mills. The result of the study is used to find out factors affecting the night shift workers in spinning mill and indirectly affect the efficiency of their work.

### **HYPOTHESES**

- There is no significant relationship between age and working hours.
- There is no significant relationship between year of experience and income
- There is no significant relationship between salary and nature of work.
- There is no significant relationship between restroom facilities and level of satisfaction.
- There is no significant relationship between first aid and level of satisfaction.
- There is no significant relationship between insurance and level of satisfaction.
- There is no significant relationship between transport facilities and level of satisfaction.
- There is no significant relationship between canteen facilities and level of satisfaction.

### **REVIEW OF LITERATURE:**

Review of literature is an important part of the study and this serves as a background for the researcher to have knowledge about covered and uncovered facts in the previous studies, and they can avoid duplication of work. It facilitates having a clear view of what should be done in the field. This mainly contains the views and the main findings of different authors on the Night shift work in various fields.

The researcher has received the following literature available on her topic of study. The disruption of the body's natural circadian rhythms by shift work can result in changed sleep patterns, gastrointestinal disorders, chronic fatigue, weakened concentration or alertness, increased stress, pressures on one's family and social life, cardiovascular disease (Shields, 2002; Costa, 1996; Glazner, 1992; Williams, 2008). There are recent studies showing an increased rate of breast cancer among women who work nightshifts (Davis, 2001; Schernhammer, 2001).

Limiting sleep to six hours or less over successive nights resulted in a cumulative dose dependent deficit in performance (Van Dongen et al, 2003). Individuals who obtained less than four hours sleep per night showed increasing lapses in performance, and reduced speed and accuracy when completing performance tasks, whereas those who obtained seven hours sleep or more were able to maintain levels of performance over 14 consecutive days.

In a study of train operators (Groeger et al, 2004), operators working rotating shift patterns had more difficulty falling asleep than those individuals working fixed shifts. There were no consistent differences between the two groups of workers in performance at a reaction time task.

In another study (Hakola & Harma, 2001), the effect of changing the direction of rotation was complicated by an accompanying change in the speed of rotation. The fast forward-rotating system improved sleep quality particularly in older workers. Alertness was improved during the morning shifts in both older and younger workers.

In a simulation study, subjects undertook two shifts in the control room of a thermal power plant trainer (Gillberg et al, 2003). During the 8-hour day and night shifts, three 20-minute breaks were incorporated. Whereas the performance-type measures were not particularly useful because of the day-night differences, the trend in sleepiness through the shifts showed a clear time-on-task effect and the benefit of a 20-minute break.

In a study of train drivers (McGuffog et al, 2004), time of day was identified as the most important factor contributing to fatigue at the start of a shift, with the highest levels occurring in the early morning. The most tiring shifts were the night shift, closely followed by the early shift. Duty data collected during the study covered start times that encompassed most of the 24-hour day (duties commencing between 04:00 and 23:00).

Intravenous medication errors were studied in a study by Seki & Yamazaki (2006), and although no significant difference was found between the three shifts identified (days, evenings, and nights), increased errors were noted when shifts were prolonged (staying late, or working overtime) and as workload increased (increased nurse to patient ratios). Another factor that was found to increase medication errors was lack of experience in the current area of employment, rather than lack of experience in general.

Blegen, Vaughn, & Goode (2001) studied the relationship of experience and education to quality of care received. In their study, it was found that, after "controlling for patient acuity, hours of nursing care, and staff mix, units with more experienced nurses had lower medication errors and lower patient fall rates"

(Blegen et al. ,2001 ,p. 34). These authors expressed concern that the need for experienced nurses is crucial and proceed to cite sources that report experienced nurses to become increasingly "disengaged, less satisfied, and less committed to the institution" (Blegen et al., 2001, p.37) as their length of employment increases. With these combined concerns, a call was made to hospital administrators to engage in processes that will promote retention of experienced nurses and prevent their disengagement from the nursing profession.

## **METHODOLOGY**

The present study is based on both primary as well as secondary data, as both are vital to this study.

### **Primary data**

The primary data are those data, which are collected from the workers of the spinning mills in Rajapalayam by using the interview schedule method.

### **Secondary data**

The secondary data were also collected from various standard text books, Research articles, reports, journals, and internet which are constituted a supportive literature for the purpose of making analyses and suggestions.

### **Sampling Design**

In Rajapalayam, there are 120 mills and 19,724 workers are employed directly. The mills are subdivided into public, private, proprietors or partnership. The researcher has to selected the sample size of 2% (8400 workers) on the basis of proportionate random sampling method and also the researcher collected from the owners of the spinning mills on the basis of using lottery method, and therefore researcher has chosen 50 employers of spinning mills in Rajapalayam.

### **Statistical tools:**

The researcher has used the following statistical tools for analysis:

- \* For data analysis, weighted arithmetical mean and percentages are used.
- \* For data representation – Tables are used.
- \* For testing Hypothesis chi-square test, Kolmogorov – smirnov (K.S) test are used.

### **SCHEME OF CHAPTERISATION**

The researcher has divided the report into five chapters as follows:

#### **Chapter – I Introduction and Design of the Study**

The chapter has been devised to cover the areas like introduction to the study, statement of the problem, objectives of the study, methodology of the study, conceptual definition of the study and limitation of the study.

#### **Chapter – II Origin and growth of spinning mill**

This section is framed to give an origin and growth of spinning mill.

#### **Chapter – III Analysis of Impact of Night work in Spinning Mill**

This part of the research section would bring out the Analysis of Impact of Night work in Spinning Mill

#### **Chapter – IV Impact of Night work in the Productivity of Spinning Mill**

This segment has been formulated to bring out the impact of Night work in the Productivity of Spinning Mill

#### **Chapter – V Summary of Findings, Suggestions and Conclusion**

This unit brings the research report to the logical conclusion. It highlights the important findings of the research. Moreover, the researcher has also come out with some possible suggestions for the improvement of night shift work in production.

### **ANALYSIS OF DATA**

#### **Year of experience of workers**

The period of service of the workers is very important because the experienced workers can understand to do work and can do their job more effectively. To ascertain the working experience of the workers, a study was made and its results are presented in the following table 1

It is lucid from the Table 3.7 that, 28.57 percent of the workers are having experience of 6-8 years, 26.19 per cent above 10 years, 19.64 percent of the workers experience is 8-10 years 16.07 percent of the workers are less than 3 years and remaining 9.54 per cent of workers are in less than 3 years.

The study has revealed that, a majority of the respondents (28.78%) are experienced with 6-8 years

**Table 1: Year of experience of workers**

S.No	Experience in mills	No respondents	Percentage
1	Less than 3 years	27	16.07
2	3- 5years	16	9.54
3	6-8 years	48	28.57
4	8-10 years	33	19.64
5	Above 10 year	44	26.19
	<b>Total</b>	<b>168</b>	<b>100</b>

Source: Primary Data

### Hypothesis

The researcher has used the Chi-Square Test to examine the relationship between salary and nature of work by framing the hypothesis that **“there is no relationship between year of experience and income.”**

Income	Below 3000	3001-4000	4001-5000	Above 4000	Total
less 3 years	3	9	3	12	27
3 – 5	4	6	3	3	16
6 - 8	15	10	12	11	48
8 -10	7	12	8	6	33
Above 10 years	12	13	10	9	44
	41	50	36	41	168

$$\chi^2 = \frac{\sum (O-E)^2}{E}$$

$$= 76.92$$

Calculated Value = 76.92

$$\text{Degrees of Freedom} = (C-1) (R-1)$$

$$= (4-1) (5-1)$$

$$= 3 \times 4$$

$$= 12$$

Table value = 21.03

### SUMMARY OF FINDINGS:

The summary of findings of the present study is as follow.

Impact of Nightshift workers:

#### Personal details of workers:

- The study reveals that, most of the workers (56.6%) are male workers in the spinning mill.
- This study unfolds that, majority of the workers (43.4%) are in the age group of 36-45 years.
- The study has informed that, a majority of (79.17% ) the workers are married.
- It is the inferred that, most of the workers (58.33%) are Literates.
- The study has disclosed that, out of 98 sampled literate workers a majority of (41.84%) workers are having the primary level of education.
- It is disclosed of the studies that, (29.76%) of workers earn income range of Rs 3001-5000.

#### Nature of job of the workers:

- The study has revealed that, a majority of the respondents (28.57%) are experienced with 6-8 years.

- The revelation of the study is that 56.54% of the workers are temporary workers.
- The study has uncovered that, 153 respondents out of 168 sampling respondents are under the status of workers.
- The researcher has come to know that, a majority of the workers (96.43%) are having the shift work rotation.
- The study has unfolded that, majority of workers (97.02%) are works involved in productivity.

#### **Working conditions:**

- It is clear that, the majority (70.83%) of the respondents are prefer for working in Night shift.
- A majority of (51.19%) of workers are feel tired some to work in Nightshift.
- The study has brought to light that, a majority of (55.36%) of the respondents are not getting travelling allowance.
- The researcher has found out that, a majority of (73.2%) of workers are not satisfactory with their working environment.
- It is clear that, 45 workers are dissatisfied on working environment due to work place.
- It is revealed that, 69.05% of the respondents get the leave facilities are above 3 days in a month.
- The researcher has come to know that, 94.05% of the respondents are liable for loss of pay at the time of taking too much of leave.
- The survey has pointed out that, most of the (88.69%) of respondents have the relaxation time is above 20 minutes.
- The researcher has come to know that, a majority of (81.55%) of respondents are received overtime payment.
- It is the finding of the study that, a majority of (77.33%) of the respondents are satisfied with overtime payment
- The study has brought to light that, a majority of (56.55%) of the respondents are not faced difficulties in their family. The study has uncovered that, most of the respondents (83.93%) having secured life.

#### **Payment of wages and bonus:**

- It is the finding of the study that, a majority of (60.12%) of respondents are satisfied with wages.
- The significant finding of the study is that, (47.02%) of respondents were get period of payment in weekly.
- The study has uncovered that, 132 workers out of 168 sampled workers have received Bonus.
- The researcher has found out that most of workers (51.19%) are satisfied with the Bonus.

#### **Job related problems:**

- A majority of (88.69%) workers are faced job related problem.
- It is the disclosure of the study that, (59.73%) of respondents are faced too much of physical work.
- It is revealed that, (56%) of the respondents have met with accidents.
- The study reveals that most of the workers (37.89%) have met with accident because of carelessness.
- The survey has pointed out that, most of the respondents (55.36%) are wearing apron is their safety measures.
- It is the revelation of the study that, a large percentage of respondents are not face misunderstanding with other workers.

- It is noted that, majority of the respondents (56.6%) have lack of communication is the reason for misunderstanding.
- It is the revelation of the study that, a large percentage of respondents have problem of difficulties is to learn new job.

#### **Health problems faced by Nightshift workers:**

- The researcher has found out that, majority of 104 respondents having health problem.
- The study has brought to light that, a majority of respondents (87.50%) have been affected by lack of sleepiness and eye irritation.
- The study has revealed that, a majority of the respondents are availing the facilities of musical instrument, relaxation time given during the time of work.
- The disclosure of the study is that Nightshift work has satisfied of a majority of the workers (77.98%).

#### **Night shift work in the productivity of the spinning mills:**

- The researcher has found out that, most of the spinning mill employers (34%) are starting Nightshift because of earn more profit and increase working time.
- The researcher has found from the studies that, majority of 74 sampled employers are face the problem for starting Nightshift.
- It is the result of the analysis that, a majority of the employers (37.8%) are facing the problem of lack of power supply.
- It is the finding of the study that, a large percentage of respondents (56%) are starting working hours for women at 4pm-12pm.
- The study has brought out that, a large number of employers (78%) are given special training to women workers.
- The study has uncovered that 48 employers out of 50 employers are feeling their productivity will increased during Nightshift.
- The study has disclosed that, a majority of the respondents are feeling above 400 tons of productivity increased compared to previous year.
- The study has unearthed that, a majority of the respondents are motivating their workers with free accommodation.
- According to the survey 23 employers out of 50 employers are solving problems immediately.
- The researcher has come to know that, a large majority of the employers are conducted health check up every year to their workers.
- It is understood form the study that, a majority of the employers(46%) are satisfied to running Nightshift in their organization.

#### **SUGGESTIONS**

Based on the findings of the study, the researcher offers the following suggestions for the improvement of working condition and productivity of spinning mill.

- The standard of living depends upon the wages. Therefore the wages can be incremented to help the workers improve their standard of living.
- Regarding the bonus rate, it is suggested that the company may increase the bonus rate from 15per cent to 20 per cent. because the companies earn more profits.
- As far as the toilet facility is concerned it should be sufficient in number.
- Suitable holidays for workers should be provided with facilities which would enable workers to enjoy their vacation.
- To avoid monotony in work, the employer should provide recreational facilities to the nightshift workers. Music and song may be played by radio or CD player for recreation.
- Cordial relations between management and workers have to be maintained for conductive work environment.



- The government must make compulsory to have social security measures in every organization. The measures such as Maternity Benefits and Group Insurance have to be evaluated properly by all spinning mill.
- Every organization must have same objectives and work according to the objectives. The objectives should satisfy both employees as well as the employer. Unemployment is the main problem of our nation. So the spinning mill should have a main objective of giving employment.
- Workers require training in improved method of handling machines and materials to reduce the cost of production and wastage. For this purpose, the spinning mills have to spend some more money for training programs.
- There are so many voluntary benefits available from the management according to their money power. The management scheme should concentrate on Health insurance scheme for the benefit of their workers.
- The major reason for the cause of accident is not having knowledge, so proper knowledge about safety programs should be given to the workers. It is the main duty of the employers.
- Majority of women workers are worked in the spinning mill in Nightshift they require training in improved method of handling machines. For this purpose the employer have the attention to their women workers and give proper training.
- There are so many women workers reported problems with their supervisors. The management should concentrate on women workers and also solving their problems.

### 38. A STUDY ON CUSTOMER SATISFACTION TOWARDS ORGANIC FOODS IN SIVAKASI

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#### **ABSTRACT**

*As the world population grows and countries make choices about the way they produce and consume along their respective paths of development, we have so far been fortunate, that the propensity to consume goods without maximizing their utility, has been balanced by less resource-intensive production and consumption in the global market place. This is changing. Globalization and technological innovation have brought the dream of mass consumption to door steps worldwide. Organic foods are healthy conscious and nutritive are analyzed among the users. From the study a very good knowledge about the users in Sivakasi is acquired in the field of organic food usage and their attracting features enjoyed by them. On the whole this project has helped to identify the attractive and nutritive features which are healthier. The use of organic food improves the health and makes everyone stronger and good immunity.*

**KEYWORDS:** Customer, Satisfaction, Organic, food, Chi-square test.

#### **1. INTRODUCTION**

As the world population grows and countries make choices about the way they produce and consume along their respective paths of development, we have so far been fortunate, that the propensity to consume goods without maximizing their utility, has been balanced by less resource-intensive production and consumption in the global market place. This is changing. Globalization and technological innovation have brought the dream of mass consumption to door steps worldwide.

Consuming at this level will not be possible for all countries without exceeding the Earth's carrying capacity. This realization has spawned many social, political and environmental movements encouraging cleaner production and more sustainable lifestyle choices. The social, environmental, and economic costs of the current agricultural production and distribution system is leading to new and alternative models of production and distribution being explored.

Driven by producers' concerns over financing and loss of lifestyle, consumer concerns over food safety and quality, an increased awareness of health, nutrition and community concerns over open space, biodiversity, agricultural pollution, and the economic health of its members, many groups, including governments, are beginning to realize the benefits that can be gained from more sustainable agricultural systems. One such system, organic agriculture, has been known to provide many of these benefits.

#### **2. ORIGIN OF ORGANIC**

The term organic is rooted in bio from Greek bios meaning life or way of living. Organic food products was first coined in the 1940s and refers to food raised, grown and stored and/or processed without the use of synthetically produced chemicals or fertilizers, herbicides, pesticides, fungicides, growth hormones and regulators or generic modification. (Essoussi&Zahaf,2008). Roddy, Cowan and Hutchinson (1994) view organic food products as a product of organic farming. Lampkin et al. (1999) thinks the term organic' is best thought of as referring not to the type of inputs used, but to the concept of the farm as an organism, in which all the components the soil, minerals,

organic matter, microorganisms, insects, plants, animals and humans interact to create a coherent, self-regulating and stable whole.

Reliance on external inputs, whether chemical or organic, is reduced as far as possible. Organic Farming is a certifiable farm management system with controls and traceability that is in harmony with the local environment using land husbandry techniques such as soil-conservation measures, crop rotation and the application of agronomic, biological and manual methods instead of synthetic inputs. This is different from Traditional Farming, which is often subsistence oriented using few or no purchased inputs. Conventional or Intensive Farming utilizes Green revolution methods designed to maximize profit often by extracting maximum output using external purchased inputs, especially mineral fertilizers and synthetic agro-chemicals and irrigation to support production.

### **3. ORGANIC FOOD**

Organic food is a food produced by methods that comply with the standards of organic farming. Standards vary worldwide, but organic farming in general features practices that strive to cycle resources, promote ecological balance, and conserve biodiversity. Organizations regulating organic products may restrict the use of certain pesticides and fertilizers in farming. In general, organic foods are also usually not processed using irradiation, industrial solvents or synthetic food additives.

Currently, the European Union, the United States, Canada, Mexico, Japan and many other countries require produce to obtain special certification in order to market food as organic within their borders. In the context of these regulations, Organic food is produced in a way that complies with organic standards set by regional organizations, national governments and international organizations. Although the produce of kitchen gardens may be organic, selling food with an organic label is regulated by governmental food safety authorities, such as the US Department of Agriculture (USDA) or European Commission (EC).

There is not sufficient evidence in medical literature to support claims that organic food is safer or healthier than conventionally grown food. While there may be some differences in the nutrient and ant nutrient contents of organically – and conventionally- produced food, the variable nature of food production and handling makes it difficult to generalize results. Claims that organic food tastes better are generally not supported by evidence.

### **4. STATEMENT OF THE PROBLEM**

Organic food is a necessary ingredient in today's life for both young and old one. As the days and time are moving fast we are unable to concentrate on our health. The study is conducted to know the problem faced by the users who are not aware of the organic food availability in the market, and it also takes long time to get ready the food. As the study is majorly conducted in Sivakasi alone all the users are less literate and employed they are unable to concentrate on organic food usage due to lack of time. Thus a study is conducted to analyze the "Customer Satisfaction towards Organic Foods in Sivakasi" by the researcher.

### **5. REVIEW OF LITERATURE**

**Chandrashekar** in his article entitled "**Consumers Perception towards Organic Products – A Study in Mysore City**" has explained the problems faced by respondents while purchasing the organic products in the markets. **Gomathi.M and Kalyani.S** in their study, entitled "**The Importance of Organic food products – a way to Healthy Life**" has said that there are constraints in organic food marketing and finally to find the future market for organic food products. **Mehmet and et al** in their article entitled "**Modeling Attitude towards Organic foods: A Research on Adolescents**" has depicted that health consciousness has the highest impact on the attitude towards organic

products among users. **Ingrid Gottschalk and Tabea Leistner** in their study entitled as **“Consumer Reactions to the Availability of Organic Food in Discount Supermarkets”** has emphasized that the recommendations are suggested regarding organic product range, display and information, especially for retailers can be deducted. **Lampkin et al** in their article stated that the term organic is best thought of as referring not to the type of inputs used, but to the concept of the farm as an organism, in which all the components the soil, minerals, organic matter, microorganisms, insects, plants, animals and humans — interact to create a coherent, self-regulating and stable whole. **Lockie** in his study entitled as **“Consumers buy or do not buy organic food”** stated that there are many users of organic food. It also suggests that health is an important factor and organic food is the only motivator. **Heruirianto** in his study, entitled as **“Consumers Behavior and Intention towards Organic Food Purchase”**, the results of research shows that health consciousness were the determinants of an individual’s positive attitude to buy organic food are given most important. **EfhimiaTsakiridou and Christina Boutsouki** in study entitled **“Attitudes and Behavior towards Organic products”** enclose that most consumers associate organic consumption mainly with fruit and vegetables. Although demographics seem to affect attitudes towards organics, their value in explaining actual behavior is minimal. **MohdRizaimy & Shaharudin** in their article entitled **“Consumers Perception and Purchase Intentions towards Organic food products”** shows that health consciousness factor have more impact on customer purchase intention of organic food products rather than the environmental concern. **KurniaXimingsun.P, and Collins.R** in their study entitled **“People’s Perception towards Organic Food in Yogyakarta Province, Indonesia”** clearly states that now-a-days purchasing behavior of organic food are increased among users. **Vandana Sundaram and Bravata.M** in their study entitled **“Organic Foods safer or Healthier than Conventional Alternatives”** depicts that organic foods are significantly more nutritious than conventional foods. Consumption of organic foods may reduce exposures to pesticide residues and antibiotic-resistant bacteria.

## 6. OBJECTIVES OF THE STUDY

1. To study the demographic profile of organic food users in sivakasi.
2. To analyze the customer satisfaction towards the usage of organic foods.
3. To examine the problems encountered the usage of organic food.
4. To analyze the customers overall opinion about the organic foods.

## 7. METHODOLOGY

1. **Sources of data** - Both primary and secondary data were used in this study. Primary data was collected from Organic food users through structured questionnaires. The secondary data were collected from various books, journals, magazines and websites.
2. **Sample Design and Size-** For the purpose of primary data, survey is undertaken in the study area. In the present study the researcher followed the method of convenience sampling for collecting data from the users. A total of 80 respondents were covered from Organic food users.
3. **Geographical Area Covered** - The geographical area covered in this study is Sivakasi. The users of Organic food are residents of Sivakasi.
4. **Tools for Analysis** - For the purpose of analyzing the following statistical tools are used.
5. **Percentage analysis**
6. **Chi-Square**

## 8. ANALYSIS AND INTERPRETATION OF DATA

The researcher has gathered the details about the socio-economic profile of the respondents and the table is presented.

**Table 1.1: Socio-economic profile of the respondents**

S.No	Category	Variable	No of Respondents	Percentage
1.	Gender	Male	14	17.5
		Female	66	82.5
2.	Age	Less than 20	20	25.0
		Between 20-40years	36	35.0
		Above 40 years	24	30.0
3.	Marital Status	Married	41	51.2
		Unmarried	39	48.8
4.	Nature of Residence	Rural	10	12.5
		Urban	59	73.8
		Semi urban	11	13.8
5.	Education	High secondary	6	7.5
		Graduate	13	16.2
		Post graduate	18	22.5
		Under graduate	11	13.8
		Diploma	14	17.5
		Research degree	18	22.5
6.	Occupation	Student	10	12.5
		Housewife	19	27.5
		Professionals	14	18.0
		Private employee	18	22.0
		Government employee	11	13.8
		Businessman/woman	5	6.2
7.	Members of Family	2-5 members	37	46.2
		6-9 members	27	33.8
		Above 9	16	20.0
8.	Monthly Income	Below 20000	43	53.7
		20001-30000	25	31.2
		Above 30000	12	15.0

**Source:** Primary Data

#### **Gender**

It is analyzed that out of 80 respondents, 66(82.5 percent) respondents are female and 44(17.5 percent) respondents are male. It is analyzed that the majority of respondents 82.5 per cent of the customers are female purchasers.

#### **Marital Status**

Table 1.1 shows that out of 80 respondents, 51.2 percent of respondents are married and remaining 48.8 percent of the respondents are Unmarried. It is clearly stated that among 80 respondents, 51.2percent of respondents are married peoples.

#### **Nature of residence**

It is apparent from the Table 3.4 that out of 80 respondents, 73.8 percent of the respondents are belonging to urban area, 13.8 percent of them are belonging to semi urban and 12.5percent of the respondents are belonging to rural area. It is clear that the majority of respondents, 73.8percent are belonging to urban area.

### Educational Qualificaton

It is apparent from the Table 3.5 that out of 80 respondents, 22.5 percent of the respondents are post graduates, 17.5 percent of the respondents are diploma holders. 16.2 percent of them are graduates, 15 percent of the respondents have studied up to school level, and 12.5 percent of the respondents are Research degree, 10 percent of the respondents are illiterate and remaining 7.5 percent of the respondents are higher secondary level. It is evident that 22.5 percent of the respondents are post graduates.

### Occupation

From the Table 1.1 it is understood that out of 80 respondents, 27.5 percent of the respondents are falling in the category Home maker, 22 percent of the respondents are belonging to Private employees, 18 percent respondents are belonging to professionals, 13.8 percent of the respondents are belonging to the category government employees, 12.5 percent of the respondents are the group of students, and remaining 6.2 percent of the respondents are falling in the group of business men or women.

### Monthly income

Table 1.1 reveals that, 37.5 percent of the respondents earn a monthly income of Rs20000, 31.2 percent of the respondents earn a monthly income between Rs.20000-Rs30000, 16.2 percent of the respondents are No income earning peoples, 15 percent of the people earn a monthly income of above Rs.30000. It is lucid that, 37.5percent of the respondents earn a monthly income of Rs20000.

## 9. TESTING OF HYPOTHESIS

Ho: There is no significant association between age of the respondents and opinion in satisfaction level of organic food.

Ho: There is no significant association between age and preference of organic food.

Ho: There is no significant association between income and frequent purchase of organic food.

Ho: There is no significant association between education and opinion in satisfaction level of organic food.

**Table 1.2: Chi-Square test**

Variables	Calculate Value	Degree of Freedom	Table Value	Accepted/ Rejected	Level of Significance
Age and Opinion in satisfaction level of organic food	6.067	4	0.194	Accepted	5%
Age and preference of organic food	4.853	6	0.563	Accepted	5%
Income and Frequent purchase of organic food	26.214	27	0.507	Accepted	5%
Education and Opinion in satisfaction level of organic food	17.736	4	0.124	Accepted	5%

### Interpretation:

- The calculated value of chi-square is less than the table value at 5% level of significance. So the null hypothesis is accepted. Hence there is no relationship between age and opinion in satisfaction level of organic food.
- The calculated value of chi-square is less than the table value at 5% level of significance. So the null hypothesis is accepted. Hence there is no relationship between age and preference of organic food.

- The calculated value of chi-square is less than the table value at 5% level of significance. So the null hypothesis is accepted. Hence there is no relationship between income and frequent purchase of organic food.
- The calculated value of chi-square is less than the table value at 5% level of significance. So the null hypothesis is accepted. Hence there is no relationship between education and opinion in satisfaction level of organic food.

## 10. SUGGESTIONS

- ❖ Providing proper awareness and guidelines to the users.
- ❖ Plantation of veggies in terrace.
- ❖ Supporting green environment.
- ❖ Reduction of pesticides.
- ❖ Reduction in price.

## 11. CONCLUSION

Organic foods are healthy conscious and nutritive are analyzed among the users. From the study a very good knowledge about the users in Sivakasi is acquired in the field of organic food usage and their attracting features enjoyed by them. On the whole this project has helped to identify the attractive and nutritive features which are healthier. The use of organic food improves the health and makes everyone stronger and good immunity.

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### 39. PERCEPTION OF PATIENTS TOWARDS MATERNITY HOSPITALS IN SIVAKASI

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#### ABSTRACT

*Health is the birth right of every human being. It can be well maintained, when one lives in accordance with the laws of nature governing the human life physically, morally, mentally and spiritually. For making a health society, hospital plays a vital role. Marketing of hospital services is an important part to revenue generation and it requires external, internal and interactive marketing. Maternity means the period from conception to birth when a woman carries a developing fetus in her uterus. The maternity hospital provides care for women during pregnancy and child birth and for new born infants. Services of Maternity hospital can be classified into three categories such as Antenatal Care, Intrapartum Care and Post natal Care. Pregnancy and child birth are the two important sides of a coin for every woman in the society. The well being of the mother and new born child are to a large extent depending upon the quality service being provided in the maternity hospitals. The present research was undertaken to evaluate the mode of functioning of maternity hospitals.*

#### INTRODUCTION

Health is the birth right of every human being. It can be well maintained, when one lives in accordance with the laws of nature governing the human life physically, morally, mentally and spiritually. For making a health society, hospital plays a vital role.

Hospital is an integral part of a social and medical organization, the primary function of which is to provide the population with complete health care - both curative and preventive and whose outpatient services reach out to the family in its home environment. The hospital is also a centre for training the health workers and for bio-social research. As the ultimate consumer of the health care delivery system is the patient, health care organizations are looking for niches to satisfy consumer demand for services. Consumers are segmented by their unique needs and then programmes or services are created to best satisfy those needs.

Marketing of hospital services is an important part to revenue generation and it requires external, internal and interactive marketing. External marketing describes the normal work done by the hospitals to train and motivate its employees to serve customers well. Last but not least, the interactive marketing shows the employees skill in serving the clients. A hospital provides care for women during pregnancy and child birth and for new born infants.

Women's health status has an important impact on the health of their children, the family, the community and the environment. Health education of a woman plays a vital role for a healthy society. Development of physical and mental health of the women leads to the development of nation. Services of Maternity hospital can be classified into three categories such as Antenatal Care, Intrapartum Care and Post natal Care.

#### STATEMENT OF THE PROBLEM

Maternity treatment is considered as rebirth of every woman. So people are ready to pay a high price for quality service. It is quite natural that a pregnant patient knocks at the door of hospitals with high expectations. The patients and the intensity of problem generate



by the same make the ways for the generation for anxiety, stress and tension. Hence the hospitals need to perceive magnitude of problem, stress and tension to the patients

Pregnancy and child birth are the two important sides of a coin for every woman in the society. The well being of the mother and new born child are to a large extent depend upon the quality service being provided in the maternity hospitals. Hence a study of the functioning of the hospital in any part of the country is crucial and advisable. Here the researcher has chosen Sivkasi to evaluate the mode of functioning of maternity hospitals .

### **SCOPE OF THE STUDY**

This study was under taken from the point of view of the patients of maternity hospitals. It aims at studying the attitude of mother, towards the maternity hospitals and delivery of hospital services. The study also narrated the mode of operation of maternity hospitals in the study area. This study also represented the nature of problems faced by the women patients in maternity hospitals.

### **OBJECTIVES OF THE STUDY**

- ✓ Study the functioning of maternity hospitals in Sivakasi.
- ✓ Find out the problems faced by the patients
- ✓ Identify the factors influencing the choice of maternity hospitals.
- ✓ Analyse the patient's perception towards before delivery and during delivery.
- ✓ Study the attitude of mothers of new born babies towards services rendered in the maternity hospitals
- ✓ Suggestions to improve service quality in maternity hospitals

### **HYPOTHESES TESTING**

The researcher has framed the following hypotheses in this study.

#### **1. Location of Hospital and Selection of Hospital**

Ho: There is no relationship between location of hospital and selection of hospital.

H1: There is a relationship between location of hospital and selection of hospital.

#### **2. Service quality and patients recommendations of the hospital**

Ho: There is no relationship between service quality and patients recommendations of the hospital.

H1: There is a relationship between service quality and patients recommendations of the hospital.

### **METHODOLOGY**

This study was designed as a descriptive and analytical one which includes survey and fact finding inquiries of different kinds. Considerable data were available both from primary and secondary sources. The study was carried with the help of primary data and the secondary data was also be collected with the help of records of reputed books like hospitals management, services marketing and journals.

#### **Sampling Design**

The study was based on maternity hospitals situated in and around Sivakasi. All the maternity hospitals were selected from the study area. The respondents of maternity hospital were selected on the basis of multistage proportionate simple random sampling for the study.

#### **Statistical Tools**

The following statistical tools were used by the researcher for analysis:

- ❖ Tables and Percentages
- ❖ Ranking test
- ❖ Chi-Square test

**Table 1: Education level of the Respondents**

S.No	Education Level	No. of Respondents	Percentage
1.	Illiterate	5	6.67
2.	Below SSLC	14	18.67
3.	Higher Secondary	31	41.33
4.	Under Graduate	12	16.00
5.	Post Graduate	10	13.33
6.	Diploma	3	4.00
<b>Total</b>		<b>75</b>	<b>100.00</b>

Table 1 highlighted that, most of the respondents have studied upto Higher Secondary level.

**Table 2: Occupations of the Respondents**

S.No	Occupation	No. of Respondents	Percentage
1.	Home maker	49	65.33
2.	Job goer	17	22.67
3.	Women Entrepreneur	3	4.00
4.	Professional Employee	6	8.00
<b>Total</b>		<b>75</b>	<b>100.00</b>

Table 2 revealed that majority of the respondents are home maker.

**Table 3: Income level of the Respondents**

S.No	Monthly Income	No. of Respondents	Percentage
1.	Less than Rs.5,000	32	42.67
2.	Rs.5001 – Rs. 10000	30	40.00
3.	More than Rs. 10000	13	17.33
<b>Total</b>		<b>75</b>	<b>100.00</b>

Table 3 exhibited that most of the respondents monthly income have less than Rs.5000.

**Table 4: Duration of contact with Doctors**

S.No	Duration	No. of Respondents	Percentage
1.	Below one year	14	18.67
2.	1 – 5 years	35	46.67
3.	5 – 10 years	19	25.33
4.	Above 10 years	7	9.33
<b>Total</b>		<b>75</b>	<b>100.00</b>

Table 4 brought that majority of the respondents have contact with doctors for 1 – 5 years.

**Table 5: Recommendations of the Maternity Hospitals to the Respondents**

S.No	Persons Recommended	No. of Respondents	Percentage
1.	Parents	29	38.67
2.	Husband	22	29.33
3.	Relatives	10	13.33
4.	Friends	7	9.33
5.	Colleagues	7	4.00
<b>Total</b>		<b>75</b>	<b>100.00</b>

Table 5 proved that hospitals were chosen by the recommendation of their parents.

**Table 6: Opinion of time taken by the Doctors**

S.No	Opinion	No. of Respondents	Percentage
1.	Reasonable	36	48.00
2.	Longer but acceptable	29	38.67
3.	Too Long	10	13.33
<b>Total</b>		<b>75</b>	<b>100.00</b>

Table 6 focused that most of the respondents feel that time taken by the Doctor is reasonable.

**Table 7: Opinion about spacious Layout of the Room**

S.No	Opinion	No. of Respondents	Percentage
1.	Sufficient	47	62.67
2.	Insufficient	22	29.33
3.	More than sufficient	6	8.00
<b>Total</b>		<b>75</b>	<b>100.00</b>

Table 7 aggregated that majority of the respondents are satisfy with the sufficient space of the rooms.

**Table 8: Respondents view about the charges of the Hospital**

S.No	Hospital Charges	No. of Respondents	Percentage
	Very High	4	5.33
	Reasonable	33	44.00
	Very Low	12	16.00
	High	10	13.33
	Low	16	21.34
	<b>Total</b>	<b>75</b>	<b>100.00</b>

Table 8 found that majority of the respondents feel that the charge of hospital is reasonable.

**Table 9: Factors influence the selection of doctor – Garrett Ranking Method**

S.No	Factors	Average	Rank
1.	Cost factor	5.11	I
2.	Experience	4.78	II
3.	Friendly moving Tendency	4.645	III
4.	Dedication	4.47	IV
5.	Recognition	4.42	V
6.	Regular Supervision	4.29	VI
7.	Patience	4.27	VII
8.	Fearless	4.00	VIII

Table 9 inferred that cost factor rank the first position with 5.11 points.

**Table 10: Peripheral services provided**

S.No	Peripheral services	No. of Respondents	Percentage
1.	Operation Theatre	98	29.34
2.	Scan	81	24.25
3.	X-rays	50	14.97
4.	ICU	42	12.57
5.	Blood Test	29	8.68
6.	ECG	34	10.19
<b>Total</b>		<b>334</b>	<b>100.00</b>

Tables 10 found that majority of the hospitals have well equipped operation theatre.

## **HYPOTHESES TESTING**

### **1. Location of Hospital and Selection of Hospital**

#### **Observed Value**

Location	Selection Criteria					
	24 hours service	Hospitality	Reasonable Rate	Hygienic	Infra structure facilities	Total
Remote	6	5	1	2	2	16
Easy Accessibility	15	8	11	7	6	47
Noisy	5	4	1	1	1	12
<b>Total</b>	<b>26</b>	<b>17</b>	<b>13</b>	<b>10</b>	<b>9</b>	<b>75</b>

**Expected Value**

Location	Selection Criteria					
	24 hours service	Hospitality	Reasonable Rate	Hygienic	Infra structure facilities	Total
Remote	5.55	3.63	2.77	2.13	1.92	16
Easy Accessibility	16.29	10.65	8.15	6.27	5.64	47
Noisy	4.16	2.72	2.08	1.60	1.44	12
<b>Total</b>	<b>26</b>	<b>17</b>	<b>13</b>	<b>10</b>	<b>9</b>	<b>75</b>

Calculated Value of Chi-square test – 5.273 Table Value at 5% significance level – 15.5  
 Since the calculated value (5.273) has less than the table value (15.5) at 5% significance level. The null hypothesis was accepted. Hence there is no significant relationship between location of hospital and selection of hospital.

**2. Service quality and patients recommendations of the hospital****Observed Value**

Suggestions	Recommendations		Total
	Yes	No	
Excellent	36	3	<b>39</b>
Better	8	5	<b>13</b>
Good	17	6	<b>23</b>
<b>Total</b>	<b>61</b>	<b>14</b>	<b>75</b>

**Expected Value**

Suggestions	Recommendations	
	Yes	No
Excellent	32	7
Better	10	2
Good	19	4

Calculated Value of Chi-square test – 8.90 Table Value at 5% significance level – 15.5  
 Since the calculated value (8.90) has more than the table value (5.99) at 5% significance level. The null hypothesis was rejected. Hence there is a relationship between service quality and patients recommendations of the hospital.

**FINDINGS OF THE STUDY**

- Most of the respondent's educational qualifications were upto Higher Secondary (41.33%).
- Nearly 65.33 % of the respondents were found to be home makers.
- It is revealed that majority of the respondents accounting for 42.67 percentage had the monthly income of less than Rs.5,000.
- Most of the respondents were contact with doctors for 1 – 5 years (46.67%).
- It is revealed that 38.67% of the respondents were directed by their parents for the treatment in the particular hospital.
- 62.67% of the respondents feel that the location of hospital as easily accessible.
- In total, 48 % of the respondents feel that the time taken by doctors for the treatment is found to be reasonable.
- 62.67 % of the respondents feel that the rooms are sufficient.
- Majority (44 %) of the respondents feel that the charges of the hospital are reasonable.
- Majority of the respondents give weightage to 24 hours services for choosing a particular hospital.
- All of the maternity hospitals provide peripheral services to the respondents. Majority of the hospitals (29.34 %) have well equipped operation theatres.

- Majority of the respondents recommended the particular maternity hospitals to others only for reasonable charges.
- Majority of the respondents suggest that the overall functioning of n the hospital as excellent.

### **SUGGESTIONS**

- Maternity hospitals do not provide all the peripheral services under one roof like scan, X-ray, ECG and lab facilities. So the hospitals may fulfill these facilities to make the patients feel easy with their treatment.
- Canteen facilities are not provided in all the hospitals. It leads the patients and their visitors in trouble. They have to go out to get each and everything.
- Most of the hospitals do not provide the ambulance facilities. It serves us a lot in case of emergency. It saves life of people by bringing patients at the right time.
- Most of the hospitals are found inside market place. They don't have fresh atmosphere and air. Patients are prone to dirt, dust and noise. Some trees and greens must be planted to inhale fresh and pure air.
- Parking facilities must be made available in hospitals.
- In most of the hospitals, doctors visit inpatients at only once. It must be increased to improve the image and loyalty of hospitals.
- Rooms allotted for the inpatients are found to be too small in few hospitals. It must be expanded for the patients. Then only they can get free air and sunlight.
- Most of the hospitals faced problems such as noise generated by traffic or other sources. If one finds too much traffic in nursing corridor, the patients would be disturbed besides the possibilities of noise pollution would be increased. Efforts may be taken to reduce the noise pollution around the hospitals.
- In few hospitals, services related to the nurses and other staffs are not satisfied. So, it must be improved by giving kindness and patience to the patients.

### **CONCLUSION**

"Health is Wealth". The health care industry is one of the vital ones that is given much importance by the Government of India. Health education of women plays a vital role for a healthy society. Mental and physical health of women is the criteria and base line for the development of women and ultimately for the development of a nation. The stress and tension need to be managed by the hospital personnel in a right fashion so that the psycho-bio equilibrium of attendants is not disturbed. Maternity treatment is considered as the rebirth of every woman. So people are prepared to pay a high price for quality services. So the maternity hospital should bear the responsibility of making necessities to the patients the quality services at an affordable fee structure.

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## 40. A STUDY ON ABSENTEEISM OF EMPLOYEES IN TEXTILE INDUSTRIES

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### INTRODUCTION

Absenteeism is one of the major threats to Indian industry. Absenteeism causing poor utilization of plant India is facing unemployment problem on one side and the other side abnormal absenteeism in industries if our absenteeism can be reduced. We can improve our gross national product without any investment. Absenteeism not only causes production loss but also causes reduction of gross national income, when the gross income of workmen reduces naturally his buying capacity also reduces if he could not manage the primary and secondary needs of timely and properly. He has to face problems like poor family harmony poor health more mental and physical tiredness which will again lead to absenting from work.

Absenteeism as commonly understood refers to the failure of an operative to report to work when work is available to him as used in the study overall absenteeism is made up of three component.

- 1) Leave sanctioned by management referred to in this report as authorized absence
- 2) Absence without any prior information to and permission from management referred to as unauthorized absence.
- 3) Certified sickness most widely known as ESI leave. This does not include maternity leave absence of workers during strike due to lay off those o earned leave and women workers on maternity leave not have been considered as absentees.

### STATEMENT OF THE PROBLEM

"ABSENTEEISM" is one of the great disasters faced by all the organizations in this modernized world which results in turnover. So the firm has to reinvest so many amounts. People not only used to leave the organizations due to the personal reasons, the main reason is all about the industrial environmental factors "ABSENTEEISM" not only indicates the physical presence it starts with the "Mental absence" of an individual so the firm has to take this as a important issue before initiating any remedial actions through that and along with the participative management. All the textile industry is facing a significant problem on employee's regular attendance.

There are so many factors that influence employees to take leave. This study ensures that it will reveal a clear good result for the absence. Due to absence of employees, the management is in compulsion to give target production. Generally, the textile industry is facing a tight competition all over the world. So the TEXTILE industry should have to take necessary steps and this also helps the management to know about the employee's basic needs which are not fulfilled and what the employee's expectation.

### OBJECTIVES

- ✓ To study about the factors that influence absenteeism
- ✓ To know how the Private Textile industries deals with absenteeism.
- ✓ By improving machine utilization by reduction of absenteeism the quality of product and productivity
- ✓ To study about the working conditions prevailing in the market.

### LIMITATIONS

- ❖ Time is a important constraint and There may be a chance for sample error
- ❖ The observation and conclusion which are presented in the report is based on data collected only the sample employees of 10 private textile industries and cannot be generalized to other areas.

- ❖ The respondents may tend to disclose information unwillingly.

### **RESEARCH DESIGN:**

A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose. It is a blue print of the study. Descriptive research design was used in this study for analysis.

### **SAMPLE DESIGN:**

Convenient sampling was used in this study, which does not afford any basis for estimating. It is a non-probability sampling method.

### **METHODS OF DATA COLLECTION**

In the study the primary data was collected through structured questionnaire, the questionnaire was prepared in such a way that it covers the entire objectives of the study and Secondary data are those which are collected from the magazines, booklets, etc.

### **FINDINGS OF THE STUDY**

- 1: It is found that 46% of respondents are getting 11000<14000 salary and 32% are getting 8000<11000, 17% are getting 14000<17000 salary and 5% of the respondents are getting 5000<8000 salary
- 2: It is found that 19% of respondents are strongly agreed and 72% of respondents are agreed. 9% of respondents is disagreeing about the job description.
- 3: It is found that 80% of respondents are said that is conducted sometimes, 18% of respondents are said that is conducted rarely, 2% of respondents are said that it is conducted always about the performance appraisal
- 4: It is found that 59% of respondents are agree with counselling facilities, 21% of respondents are strongly agree with counselling facilities, 19% of respondents are disagree with counselling facilities and 1% of respondents are strongly disagree with counselling facilities.
- 5: It is found that 61% of respondents are agree with job rotation, 20% of respondents are strongly agree with job rotation, 18% of respondents are disagree with job rotation and 1% of respondents are strongly disagree with job rotation.
- 6: It is found that 63% of respondents are agreed, 20% of respondents are disagreed, 16% of respondents are strongly agreed and 1% of respondents are strongly disagreed about the awareness of career planning
- 7: It is found that 62% of respondents are said that grievance handling are good, 16% of respondents are said that grievance handling are fair, 15% of respondents are said that grievance handling are excellent and 7% of respondents are moderate.
- 8: It is found that 54% of respondents are said that working hours usually affects the morale of the employees, 33% of respondents are said that working hours sometimes affect the morale of the employees, 7% of respondents are said that working hours always affect the morale of the employees, and 6% of respondents are said that working hours rarely affects the morale of the employees.
- 9: It is found that 55% of co workers are helpful, 33% feels that they are very helpful, 10% feels that they are indifferent and 3% feels that neglecting. 53% of respondents said that their team leaders are very helpful to them, 29% of respondents feels that they are very helpful, 13% of respondents feels that indifferent and 4% of respondents feels that neglecting.
- 10: It shows that 11% of respondents feel the work always lead to illness, 68% of respondents feel the work sometimes lead to illness and accident and 21% of respondents rarely lead to illness. It is concluded that majority of respondents feel the work sometimes lead to illness.

**12:** It shows that 33% of respondents are involving in sports activities, 46% of respondents are involving in cinema and 21% of respondents are involving in club. It is concluded that majority of respondents are involving in cinema.

### **SUGGESTIONS**

- ✓ Job repetition should be minimized
- ✓ Proper medical should be provided to the employees
- ✓ Recreation facility should be improved in the organization
- ✓ Motivational training should be given to the employees at regular period of time. Skilled and semi-skilled labours should be treated as same. But their benefits should be different.
- ✓ Promotions have to be given to the employees for their excellent performance.
- ✓ They should be paid equally which is equal to the other company employees in same industry.
- ✓ The company should provide proper transport facility.
- ✓ Their personal problems should be solved through counselling
- ✓ Providing them good working condition is very essential
- ✓ The work load given to them should be minimized.
- ✓ Every worker should be the member of the trade union to organize them through a legal body to expose their problems to the organization.

### **CONCLUSION**

The management must first have a positive attitude towards absenteeism. Even though it possible to eliminate absenteeism completely. The provision of various facilities to reduce absenteeism bound to involve substantial financial commitment for the management. The major causes for absenteeism in the organization are the activities and policies of the organization. So absenteeism invisible but proves fatal for the industry. So reduction in absenteeism will helpful in improving the productivity.

### **APPENDIX**

**Table No: 1- Distribution of the Respondents Based On Salary**

Salary	No. of Respondents	Percentage
5000<8000	15	5%
8000<11000	96	32%
11000<14000	138	46%
14000<17000	51	17%
Total	300	100%

**Table No: 2 Distribution of the Respondents Opinion about Job Description**

Opinion	No. of Respondents	Percentage
Strongly agree	57	19%
Agree	216	72%
Disagree	27	9%
Total	300	100%

**Table no: 3 Distribution of the Respondent's Opinion Regarding Counselling Facilities**

Opinion	No. of Respondents	Percentage
Strongly agree	63	21%
Agree	177	59%
Disagree	57	19%
Strongly disagree	3	1%
Total	300	100%



**Table no: 4 Distribution of the Respondent's Opinion Towards Job Rotation**

Opinion	No. of Respondents	Percentage
Strongly agree	60	20%
Agree	183	61%
Disagree	54	18%
Strongly disagree	3	1%
Total	300	100%

**Table No: 5 Distribution of the Respondents Opinion Towards Awareness of Career Planning**

Opinion	No. of Respondents	Percentage
Strongly agree	48	16%
Agree	189	63%
Disagree	60	20%
Strongly disagree	3	1%
Total	300	100%

**Table no: 6 Distribution of The Respondents Opinion Towards Grievances Handling**

Opinion	No. of Respondents	Percentage
Excellent	45	15%
Good	186	62%
Fair	48	16%
Moderate	21	7%
Total	300	100%

**Table no: 7 Distribution of the Respondent's Opinion Towards Working Hours Affecting Morale of the Employees**

Opinion	No. of Respondents	Percentage
Always	21	7%
Usually	162	54%
Sometimes	99	33%
Rarely	18	6%
Total	300	100%

**Table No: 8 Showing Opinions of Respondents Regarding Other Activities They Involved**

Opinion	No. of Respondents	Percentage
Sports	99	33%
Cinema	138	46%
Club	63	21%
Total	300	100%

## 41. A STUDY ON THE IMPACT OF MIGRANT LABOURS ON LOCAL EMPLOYMENT WITH SPECIAL REFERENCE TO FIRE WORKS INDUSTRY IN SIVAKASI

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### **ABSTRACT**

*Migration is a form of geographical mobility or spatial mobility between geographical unit and another, generally involving a change in residence from the place of origin or place of departure to the place of destination or place of arrival. Such migration is called permanent migration and should be distinguished from other forms of movements, which do not involve a permanent change of residence. It concerns not only developing countries but also those which are highly industrialized and affects not only the more or capitalized countries but also the socialist change of the move or open the voluntary and involuntary nature of the act and destination. It's made between external and internal migration. This paper attempts to analyze the impact of migration in local employment of workers in Sivakasi Taluk of Virudhunagar district in Tamil Nadu. Mayer fort has distinguished between mobility while represents movement within boundaries and migration in which person cross countries cap low states that the migration is strictly speaking a change of residence and need not necessarily involve any change of occupational but is closely associated with occupational shifts of one kind or another.*

### **INTRODUCTION**

Migration is a form of geographical mobility or spatial mobility between geographical unit and another, generally involving a change in residence from the place of origin or place of departure to the place of destination or place of arrival. Such migration is called permanent migration and should be distinguished from other forms of movements, which do not involve a permanent change of residence.

#### **Who is a migrant?**

Migrant is a person who moves from one administrative unit to another. In Indian control these administrative units are generally village in rural areas and town in urban areas. Thus a person's move out from one village or town is termed as migrate provided his or her movement is not purely temporary in nature, on account of casual leave, visit etc.

#### **Migration**

The movement of individuals or propagates, from one area to another. These cases may be distinguished.

- \* Emigration which is outward only.
- \* Immigration which is inward only and,
- \* Migration which in this stricter sense implies periodic two way movements to and from a give area and usually along well, defined routes. Such migratory movement is triggered by seasonal or other periodic factors (e-g changing day- 1ength) and occurs in many animals groups.

#### **Globalization and Migrant Labour**

For the survival of capitalism, they required cheap labour. The employers know only through engagement of migrant labour they can earn more profit by paying less wages and without any social security facilities. Hence, migration of labour is not a new phenomenon in

the society. People of developing and under developed countries are in search of jobs within his country but when he did not get it then the opportunities for jobs in other countries. But in the era of globalization the inter country migration has started in a big way. India, being reservoir of highly skilled, semiskilled and unskilled workers became the major contributor of migrant workers.

### **Global Migration**

Currently, nearly 191 million people are estimated to be international migrants, including 115 million or 60 per cent in developed countries and 76 million or 40 per cent in developing countries, making one in every 35 persons on earth an international migrant.

### **Migration Management in India**

Some initiative has been taken by Government of India to give some protection to Indian immigrants. A separate ministry has been set up namely "Ministry of Overseas Indian Affairs" in May 2004 to deal with all matters pertaining Overseas Indians Comprising of

- \* Persons of Indian Origin (PIO)
- \* Non Resident Indians (NRI)
- \* Overseas Citizens of India (OCI)

### **India's internal migrants and migration flow by numbers**

More than two-thirds (69 per cent) of India's 1.21 billion people live in rural areas, according to the 2011 Census of India, but the country is rapidly urbanizing. The cities of Mumbai, Delhi, and Kolkata are all among the world's top ten most populous urban areas, and India has 25 of the 100 fastest-growing cities worldwide. A significant source of this growth is rural-to-urban migration, as an increasing number of people do not find sufficient economic opportunities in rural areas and move instead to towns and cities. Provisional 2011 census data show that for the first time, India's urban population has grown faster than its rural population since the last census.

Thirty-one percent of India's population is now classified as urban, up from almost 28 per cent in 2001. In 2007 - 2008, the National Sample Survey measured the migration rate (the proportion of migrants in the population) in urban areas at 35 per cent. In addition to migration, natural population increase and the inclusion in census data of newly-defined urban areas also account for some of this urban growth.

Despite India's impressive rates of economic growth over the past three decades, vast numbers of Indians are unable to secure a meaningful livelihood. In 2010, 29.8 per cent of all Indians lived below the national poverty line, while 33.8 per cent of rural Indians lived below the national rural poverty line, according to World Bank data. While wage and education gaps between rural and urban Indians are declining, rural India is still characterized by agrarian distress, a chronic lack of employment, and farmer suicides. Thus, the rural-urban divide has been one of the primary reasons for India's labour mobility.

While migration data from the country is not as comprehensive or as recent as needed to see the whole picture, the 2001 Census counted about 191 million people or 19 per cent of the total Indian population at the time as internal migrants who had moved long distances to other districts or other Indian states. About 70 per cent of all internal migrants are women, and marriage is the primary reason for female migration, accounting for 91 per cent of rural female migrations and 61 per cent of urban female migrations. Fifty-six per cent of urban male migrants move in search of employment. Other top reasons for migration among Indian men (often with other members of the household) include family, business, and education.

### **STATEMENT OF THE PROBLEM**

Sivakasi is a well-known for fireworks, match works and printing works industry. There is an acute demand for manpower in these industries. Basically the local people are depending on these industries and getting benefited. Rapid industrialization increases the demand for the manpower in concern industries. When the demand for the manpower

increases, it is quite natural that people from other region are preferred. These people are the so called migrants who are getting shifted from their native place. It is very useful for growth of these industries as well economy. But, the migrant workers are indirectly destroying the local employment opportunity. So the researcher wants to expose the impact due to migrant labours.

### **OBJECTIVES OF THE STUDY**

1. To identify the reasons behind migration.
2. To identify the impact of migration in local employment.
3. To analyses why the migrants are preferred.
4. To compare the workload between migrants and local workers.
5. To analyses whether the migrants are properly trained.

### **METHODOLOGY**

**Source of Data:** There are two types of data collected for this research which are primary data and secondary data. The Researcher collected primary data by means of interview schedule.

**Sampling frame:** The researcher has adopted the convenient sampling method for collecting the data. The total number selected respondents for the study are 60.

**Tools of analysis:** Simple Percentage analysis

### **Discussion**

From the careful analysis of data using simple percentage analysis collected through interview schedule (primary data) the following results were obtained. 40% of the respondents are earning Rs.21000- 30000 annually, 40% of the respondents said, migrants are reduced local employment opportunities. 50% of the respondents said, migrants are coming from Assam. 41.67% of the respondents said the migrants are main reason for reduced local employment opportunities and also wages, and 36.67% of the respondents said, local workers are going to other states for work.

### **CONCLUSION**

Migration is vital for industrial and economic development of a country. But while accepting migration, it should not benefit the industry only. Since the corporate are socially responsible, it is the duty of the industries to consider about the social development. Migration is sometimes creates negative impacts on local community. The industries may try to give more importance to the local employees. At least they may arrest the gap between the local and migrant employee benefits provided. Doing so will protect the local employees from unemployment and related economic issues.

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## 42. A STUDY ON EMPLOYEE ENGAGEMENT IN DISC ASSET PROMOTERS INDIA LIMITED, MADURAI.

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### **ABSTRACT**

*Employee engagement of human resources has been shown to be momentous to the development and the accomplishment of the organizational goals and objectives. The primary objective of this paper is to investigate the Employee engagement aspects and to explore the factors that affect engagement of employees in the company. To achieve the defined objectives, the study was pursued with the help of a questionnaire on a 4 point rating scale taking a sample of 100 employees. The survey questions designed to determine element of Employee engagement i.e. Work Environment, Pay and Benefits, Rewards and Recognition, Performance, Career Development, Employees Commitment, Co-operation and Job Satisfaction.*

### **INTRODUCTION**

Employee engagement is thus the level of commitment and involvement an employee has towards the organization and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization. The organization must work to develop and nurture engagement, which requires a two-way relationship between employer and employee. Thus Employee engagement is a barometer that determines the association of a person with the organization

HR practitioners believe that the engagement challenge has a lot to do with how employee feels about the work experience and how he or she is treated in the organization. It has a lot to do with emotions which are fundamentally related to drive bottom line success in a company. There will always be people who never give their best efforts no matter how hard HR and line managers try to engage them. "But for the most part employees want to commit to companies because doing so satisfies a powerful and a basic need in connect with and contribute to something significant".

### **Aspects of Employee Engagement**

Three basic aspects of employee engagement according to the global studies are:-

- The employees and their own unique psychological make up and experience
- The employers and their ability to create the conditions that promote employee engagement
- Interaction between employees at all levels.

### **SCOPE OF THE STUDY**

The researcher carries out the study on Employee Engagement in DISC Asset Promoters India Limited, Madurai with a sample of 100 respondents. The researcher's study covers Work Environment, Pay and Benefits, Rewards and Recognition, Performance, Career Development, Employees Commitment, Co-operation and Job Satisfaction.

### **OBJECTIVES OF THE STUDY**

- \* To analyse how the work environment influence employee engagement.
- \* To know how the individual's perceived organisation support, influence employee's engagement in work.
- \* To know the strategies adopted by the organisation to increase employee engagement.
- \* To examine the positive attitude of the employees towards the organisation and its values.

- To evaluate the effectiveness of the employee engagement system followed in the organisation.

### METHODOLOGY

The study is based on the analysis of both primary and secondary data. The primary data needed for this study is collected from the sample consumers. The Secondary data needed for study is collected from various magazines, articles published in newspapers and surfing through network. The sampling used in this method was simple random sampling. The research has been taken 100 samples.

### TOOLS FOR ANALYSIS

The following tools have to be used to analyse the data.

- ❖ Table and Diagrams
- ❖ Percentage and Chi-square test
- ❖ Garrett Ranking

### Factors influence employee engagement

The researcher has used the Garrett's ranking method for ranking the Factors influence employee engagement

**Factors influence employee engagement**

S.No	Factors	1	2	3	4	5	6	Total
1	Rewards & recognition	7	25	25	21	13	9	100
2	Challenging job	22	16	6	12	17	27	100
3	Supportive peers & Superiors	32	12	15	10	15	16	100
4	Regular feedback and counselling	5	8	19	25	22	21	100
5	Career opportunities	11	8	22	21	21	17	100
6	Pay & benefits	23	31	13	11	12	10	100
	Total	100	100	100	100	100	100	

Respondents are asked to rank the Factors influence employee engagement. Based on the ranks that the respondents awarded, the researcher has found the number of responses placed in each rank.

**Garrett's Score**

S.No	Factors	Garrett Score	Avg. Score	Garrette Rank
1	Rewards & recognition	5118	51.18	III
2	Challenging job	4829	48.29	IV
3	Supportive peers & Superiors	5433	54.33	II
4	Regular feedback and counselling	4362	43.62	VI
5	Career opportunities	4673	46.73	V
6	Pay & benefits	5606	56.06	I

Source: computed data

The above table shows the Garrett scores and average scores. The average scores are ranked according to their values. The first rank is given to "pay & benefits" (56.06) and the last rank is given to "Regular feedback and counselling" (43.62)

### HYPOTHESIS

Hypothesis is a tentative proposition formulated for empirical testing. The study is explorative in nature. An attempt has been made by the researcher to test the following hypothesis.

There is no relationship between gender and the reason for retention in the job. Chi-Square test is used to as a tool to test it.

Chi- Square Test Table

O	E	O-E	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
12	9.03	2.97	8.82	0.98
12	18.92	-6.92	47.89	2.53
14	10.75	3.25	10.56	0.98
5	4.3	0.7	0.49	0.11
9	11.97	-2.97	8.82	0.74
32	25.08	6.92	47.89	1.91
11	14.25	-3.25	10.56	0.74
5	5.7	-0.7	0.49	0.09
Total $\chi^2$				8.08

Source: computed data

**Degree of freedom** =  $(r-1)(c-1) = (2-1)(4-1) = 3$

For 3 d.f. @ 5 percent level of significance is 7.815. The Chi-Square value is greater than the table value. Therefore the hypothesis is rejected.

Therefore, there is no relationship between gender and the reason for retention in the job.

### FINDINGS

- 39 percentage of the respondents says that their colleagues are cooperative.
- 61 percentage of the respondents says that the work environment helps them to perform better.
- 44 percentage of the respondents agree that, their job have future growth in the organisation.
- 61 percentage of the respondents are satisfied with the pay & benefits, reward & recognition program is fair and timing.
- 66 percentage of the respondents are satisfied towards their job.

### SUGGESTIONS

- The management must adopt appropriate strategies to increase the level of engagement among the employees.
- The management should reward the Star Performers by providing cash prizes, special bonus and opportunities in promotion.
- Employees will engage better in their workplace when they think their efforts and ideas are considered at work. So the management has to create such an environment where the employees get motivated to express their opinions freely.
- The management has to provide Career development programme to the employees in order to commit themselves to the organisation.

### CONCLUSION

Employees are the pillars on which the organizations are built. And Employee Engagement is a barometer that determines the association of an employee with the organisation. Every organisation faces the problem of having disengaged employees. As employees increasingly rely on each other to generate products and services, the problems and tensions fostered by disengaged employees can cause great damage to an organisation. So, an organisation's capacity to manage employee engagement is closely related to its ability to achieve high performance and superior business results.

### 43. ROLE OF INVENTORY MANAGEMENT SYSTEM IN TVS INDUSTRIES

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#### ABSTRACT

*This paper describes the inventory management system sufficiently to determine the feasibility and usability of a finished system, the core concept is to track the sale of items from the cash register with additional features for interpreting the data.*

*It uses a client sever model with a connected database to allow multiple stores and warehouses to be connected.*

#### INDUSTRY SCENARIO

Indian economy is the world largest economy in the world, in terms of purchasing power and it is going to touch the heights in coming years.

With the stable of 7-8 percent annual growth, rising foreign exchange reserves and rapidly increasing FDI inflows.

The economy has been growing at an average growth rate of 8.8 per cent in the last four fiscal year (2003-2004 to 2006-2007), with the 2006-2007 growth rate of a whopping 9.6 per cent.

#### TYPES OF INVENTORY

- Raw materials
- Purchased parts and supplies
- Work in process
- Items being transported
- Tools and equipment

#### INVENTORY CONTROL AND INVENTORY MANAGEMENT

The objective of this department is to receive, store, preserve and deliver the maintenance spares safety equipment and items of general use, stores department has to supply the raw material to the concerned department as per the demand of the required department, after the materials are issued the receipt goes to costing department for further calculation, all the materials are coded by numeric, alphabetic, alphanumeric by the stores head.

The inventory management system and inventory control process provides information to efficiently manage the flow of materials, effectively utilize people and equipment, coordinate internal activities and communicate with customers, inventory management and the activities of inventory control do not make decisions or manage operations they provide the information to managers which are more accurate and timely decisions to manage their operations.

#### TECHNIQUES OF INVENTORY MANAGEMENT

Minimum level = reordering level- (normal consumption\*normal reordering period)

Maximum level = reordering level+ reordering quantity-(minimum consumption\*minimum reordering period)

Danger level = consumption\*maximum reorder period

#### TOOLS AND EQUIPMENT OF INVENTORY MANAGEMENT

- Determination of stock level
- Determination of safety stocks
- Selecting a proper system of ordering for inventory
- Determination of EOQ



- ABC analysis
- VED analysis
- Inventory turnover ratio

### **ABC ANALYSIS**

**ABC** analysis is a method of classifying items, events or activities according to their relative importance, it is frequently used in inventory management where it is used to classify stock items into groups based on their total annual expenditure for stockholding cost of each item

The first step in the analysis is to identify those criteria, which make a significant level of control important for any item. Two possible factors are the usage rate of an item and its unit value. Close control is more important for fast moving items with a high unit value. Conversely, for slow moving, low unit value items the cost of the stock control system may exceed the benefits to be gained and simple methods of control should be substituted.

Classifying inventories into three based categories, A, B, C. Category A, representing the most important items, generally consists of 15 to 25 percent of inventory items of moderate importance. Generally consists of 20 to 30 percent of inventory items and accounts 20 to 30 percent of annual usage value. Category C, representing items of least importance generally consists of 40 to 60 percent of inventory items and accounts for 10 to 15 percent of annual usage value.

### **BENEFITS OF MODERN TECHNIQUES**

- Helps in reducing carrying cost of inventory
- Helps in reducing the level of working capital blocked in inventory
- Inventory is kept at optimum level chance of obsolesce is decreased
- Inventory control reinsures an adequate supply of materials, stores etc., Minimize stock outs and storage and avoids costly interruption in operations.
- It keeps down investment in inventories inventory carrying cost and obsolescence losses to the minimum.
- It facilitates purchasing economies through the measurement of requirements on the basis of recorded experience.
- It eliminates duplications in ordering or in replenishing stocks by controlling the sources from which purchase requisition emanate.
- It provides a better utilization of available stocks by facilitating inter department transfer within a company.

### **CONCLUSION**

The company is consuming various categories of materials there is balance between the procurement and consumption more often the company depends upon the just in time management principles which is very common in most of the foreign collaborated organizations. the purchase procedure of the company should move for localization, this should greatly influence on easy procurement of material in time and reduces ordering and carrying cost of the money, it will help to increase the profits of the company.

## 44. ROLE OF MATERIAL MANAGEMENT SYSTEM IN TATA STEEL INDUSTRIES

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### **ABSTRACT**

*This paper contains Material management is an important function in order to improve productivity in construction projects. It includes planning, expenditure, shipping, material receiving, warehousing and inventory, and material distribution.*

### **Management**

Management refers to the establishment and Attainment of objectives.

### **Materials Management**

It is a distinct process of management covering all aspects pertaining to

- Cost of Materials
- Timely supply of quality material
- Materials Utilization

It is defined as an organizational concept, which has the authority and responsibility of all activities, concerned with the flow of materials in the organisation.

### **Function**

- **Materials Planning**

Preparing MRP-forecasting inventories.

- **Materials Sourcing**

Identifying suppliers-choose the right supplier.

- **Inventory control**

Planning of control systems-maintain the inventory levels.

- **Budgeting**

Estimating working capital requirements.

- **Stores Management**

Physical control of materials-disposal of waste-stock control.

### **Measurement the effectiveness of materials management system**

- A better inventory turnover
- Reduced stock outs
- A reduced lead time
- Reduced paper work
- A minimum handling of materials

### **Material Classes**

- **Raw materials:** These are materials that are used in the product which is in an unprocessed condition.
- **Purchased parts:** These are the items used in the assembly of the product.
- **In-progress materials:** They are called 'work in progress' inventories. These goods require further processing.
- **Finished materials:** These are fully manufactured goods, inspected and ready for delivery to the customers.

### **Stores Management**

Deals with physical of goods

Types:

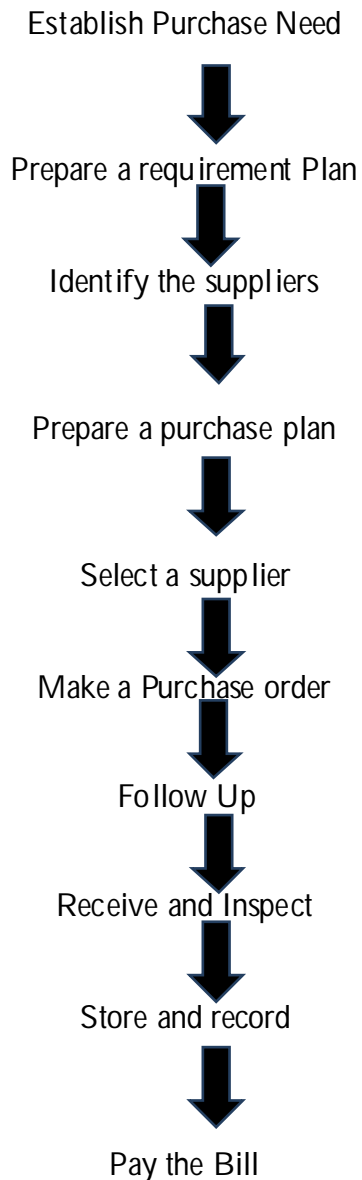
- Inward

- Finished Goods
- Blended
- Warehouse
- Scrap

#### **Supply of Stock to the plant**

- FIFO
- LIFO
- Stock Efficiency
- Transportation

#### **Purchase Process Cycle**



#### **Conclusion**

Construction material constitutes a major cost component in any construction project. The total cost of material may be 52% of total cost so that it is important for contractor to consider that timely availability of material is potential cause of successful.

#### 45. STUDY ON EMPLOYEE BENEFITS IN SRI ROYAL TRADERS, SIVAKASI Mount Rose Merlin.W\*

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##### **ABSTRACT**

*The objective of this literature study is to summarise the present situation and future prospects of the lack of human resource management research on employee benefits, which is surprising because employer-sponsored benefits are a primary concern of executives and employees alike. This paper provides a foundation for such research by providing an overview of the With a lack of benefits offered by a new company there is no wonder that employees with the critical skills needed for some jobs, stay with the company that are currently working with and ride out any indecision that they may have to the point of missing out on promotion and a higher salary so as they can get reasonable medical benefits and a good retirement package. Employers need to realize that in order to attract the employees with the critical skills they seek there needs to be serious investment in an attractive Benefit Plan for Employees rather than trying to trim their costs and outgoings. Investment in Employees is an investment in the company.*

##### **INTRODUCTION:**

Maintaining healthy employee relations in an organisation is a pre-requisite for organisational success. One way of maintaining good and healthy employee relations in an organisation is by attaching lucrative benefits to every employee in that organisation. Employee benefits which are the various non-wage compensations provided to employees in addition to their normal wages or salaries cannot be over looked by the management of an organisation. To overcome the restraints a strong and positive relationship and bonding should be created and maintained between employees and their organisations. Employee should be motivated at put their benefits(payment, employee security, safety and health, welfare facilities, old age and retirement benefits).this can cost an organisation so much, especially if they are losing a key and very competent staff to a competitor.

##### **Origin of the company:**

Sri Royal Traders is a well-known manufacture and exporter of student's notebooks, school stationery, educational stationary and all types of paper stationery. The company started its operation since 1997. Sri Royal Traders has already made an impact in local market of India as a quality paper stationery manufacture.

##### **Background of the study:**

The study area of the Sri Royal Traders Company the intake of the employees for the work is based on the contract. So the turnover of the employee is increase. But it doesn't create a good relationship between employers and employees in the company. If they appoint permanent employees. The problem can be solved.

##### **Statement of the problem:**

Now a day, the employees are facing problems like lack of sufficient wages or bonus and insurance problems and other benefits. It can be prevented by fixing some reasonable wages even for the debuted workers and the owners should pay attention to the healthy by sending them to regular yearly health check-up and maintaining healthy employee relations.

##### **Objectives:**

- To study on current situation on root cause of the employee benefits problems.
- To collect data with the help of surveying the workers in the organisation.
- To suggest measures to overcome the employee benefits problems.

**Scope of the study:**

1. The industrial revolution brought out the sufferings of employers like lack of wages, the long working time and so on.
2. After this revolution everything which is considered to be unjust to the employees changed and it takes a new perception of the relationship between the employers and the employee.

**Hypothesis:**

Hypothesis is a tentative proportion formulated for empirical listing. It is declarative statement combining concepts. In order to achieve the objective of the present study the researcher formulated the following hypothesis.

**Data collection Instrument:**

A well defined interview schedule that is used effectively to gather information on both the overall performance of the test system as well as information on specific components of the systems. It was carefully prepared and specially numbered. The objective attain to the employee benefits. The questions were arranged in proper order, in accordance with the relevance. It consists of open ended, dichotomous, rating and ranking question.

**Finding:**

- Workers on insecure contracts less likely to have family – friendly.
- Younger workers not seeing the importance of vision benefits.
- New imperatives for financial security.
- Workplace benefits is more important is part of life.

**Suggestion:**

To improve the employee morale will be well defined. Participating in employee suggestion program increases employee job satisfaction. (1) employer-sponsored benefits, (2) benefits satisfaction, (3) pensions, (4) health care, and (5) work family benefits to be provide to increase the Employers need to realize that in order to attract the employees with the critical skills they seek there needs to be serious investment in an attractive Benefit Plan for Employees rather than trying to trim their costs and outgoings. Investment in Employees is an investment in the company.

**Conclusion:**

The potential for HRM research in employee benefits is extensive. While other employer-sponsored benefits exist (e.g., non-health insurance benefits, executive perquisites, educational tuition reimbursement), because of their salience, we feel that the areas and issues related to health care, retirement benefits, and work and family benefits offer HRM the greatest research opportunities to contribute to management beneficial for employers as well. Work–family benefits are effective for employees and, hence, worthwhile to employers. The purpose of the study related to employee outcomes of flexible work arrangement benefit utilization, as well as the influence of culture and the outcomes for non-users.

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## 46. AN OVERVIEW OF FINANCIAL MANAGEMENT

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### ABSTRACT

*Financial Management' is a combination of two words, 'Finance' and 'Management'. Finance is the lifeblood of any business enterprise. No business activity can be imagined, without finance. Financial Management is concerned with planning, directing, monitoring, organizing and controlling monetary resources of an organization. Financial Management simply deals with management of money matters. The study aims with the raising of the funds and their effective utilization and also deals with the profit and wealth maximization. The process of financial management takes place: at the individual as well as organization levels. Financial Management is that specialized function of general management, which is related to the procurement of finance and its effective utilization for the achievement of common goal of the organization.*

### INTRODUCTION

Finance is the life blood of a business. Circulation of blood is necessary for maintaining life in human body. Finance is absolutely necessary for the survival and smooth running of a business. Finance is the necessary to promote a business, purchase fixed assets, buy raw materials, produces goods and market them. Finance may be defined as the provision of adequate amount of money when it is required.

**DEFINITION:** "Financial management is the application of the planning and control functions to the finance function".

### OBJECTIVE OF FINANCE MANAGEMENT

Financial management is concerned with the raising of the funds and their effective utilization. The firm should have a clear objective. Two important objectives

- ❖ Profit maximizations and
- ❖ Wealth maximization.

### PROFIT MAXIMISATION:

Profit maximisation refers to the maximisation of income or earnings of firm .The arguments in favour of profit maximisation as the objective of financial management are:

**Natural Goal:** Profit is the aim of any business. Naturally, the goal of financial management should be profit maximisation.

**Measure of Efficiency:** Profit is a measure of efficiency. Higher profits imply greater efficiency. Hence, the objective of profit maximisation is quite rational.

**Protection against risks:** Profits provide protection against risks. When a company is faced with unfavourable conditions, accumulated profits serve as a cushion to absorb the shocks.

**Fulfilment of the social obligation:** Profits are essential for fulfilling social obligation of the business. The goal of profits maximization helps to maximize social welfare.

### WEALTH MAXIMISATION:

Wealth maximisation, as an objective of financial management, refers to the maximisation of the wealth of the shareholders. It involves maximisation of the net present value of an investment. Net present value (NPV) of an investment is the difference between present value of its inflows (benefit) and outflows (costs).

A positive net present value created wealth to shareholders. On the other hand, a negative net present value erodes shareholders wealth. The wealth created by a company is represented by the market price of its shares.

### **THE ADVANTAGES OF THE WEALTH MAXIMIZATION**

**Clarity:** Wealth maximization is a clear concept. It represents the net present worth.

**Time value of the money:** It takes into account the time value of money, by discounting the future cash inflows.

**Recognizes risk factor:** The risk factors are also recognized. For proposals with a greater degree of risk, a high discount rate is used and vice versa.

**Universal acceptance:** The concept of wealth maximization is universally accepted. It takes care of the interests of shareholders, financial institutions, employees and the society.

### **Functions of Financial Management:**

Under the modern approach, the scope of financial management is very wide. It is not limited to the procurement of funds, but includes their efficient utilization. The functions of financial management are:

**1. Estimating Financial Needs:** Finance may be needed for different purposes. A firm may need money for purchase of fixed assets or investment in current assets. Therefore, it is necessary to estimate the fixed as well as working capital requirements in advance.

**2. Identification of sources of funds:** Financial management has to identify the various source of finance. The source of long- term as well as short-term finance, their costs and other terms have to be ascertained. Many sources are available for raising funds. Equity shares, preference shares, institutional loans, etc. are the popular sources of long-term funds.

**3. Developing an optimum capital structure:** It involves deciding the proportion of debt and equity as the sources of finance. Use of debt helps to increase the earnings of shareholders. The excessive debt increases the risk and reduces the market value of shares.

**4. Capital Budgeting:** Capital budgeting is a process by which investment proposals are evaluated. It helps to assess the profitability of projects or investment through Pay back, Accounting Rate of Return (ARR), Net Present Value (NPV), and Net Present Value index (NPVI) and Internal Rate of Return (IRR) methods.

**5. Working Capital Management:** Working capital refers to the funds required for financing the day –to –day operations. The firms should have sufficient liquidity to meet its current obligations. Working capital management includes cash management, receivables management, and inventory management.

**6. Dividend policy:** An important function of financial management is to formulate the dividend policy of the company. Shareholders may prefer high dividends. But retention of profits strengthens the internal generation of funds. For firms with profitable opportunities, retention is ideal.

**7. Financial Analysis:** Analysis of financial performances is an integral part of financial management. It helps in the assessment of strengths and weaknesses of the company

**8. Cost Volume Profit Analysis:** Cost volume and profit are closely related. In fact profit depends on the efficient management of costs which in turn, depends on the volume of output.

**9. Financial Control:** Financial control is the control function of financial management. Its object is to ensure that the performance is according to plans. Financial control involves application of control devices such as return on investment, budgetary control, break- even analysis, ratio analysis etc.

### **CONCLUSION:**

The financial management function is crucial to the success of business organizations. Finance is the process through which an individual money for future. If there is less finance or bad credit then there is way to manage them.

## 47. THE SCOPE OF FACILITY MANAGEMENT

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### **ABSTRACT**

*The facility management (FM) as an industry has emerged as one of the fastest growing sector over the decade. However, the scope and identity of FM is still fuzzy as evidenced by the definitions and issues which attempt to describe its scope. In fact, FM is the multi-disciplinary kind of work that covers a wide range of various activities, responsibilities and knowledge. Moreover every aspect of an organization seems to be drawn into FM. This article attempts to identify the current scope of the FM from professional perspectives by using models and frameworks to explain theoretically both operational and strategic levels. The article firstly focuses on organization where FM is active, and how it works. These give full explanations on functions, characteristics, roles and main activities of FM as well as the relationship of all functions which are interrelated and must be developed in parallel. FM provides and manages a variety of support services in order to orchestrate all the organization's functions, putting the accent on an integration of primary activities in both strategic and operational levels. Facility managers are expected to be knowledgeable and to have mastered a broad range of administrative and leadership skills. FM can extend the scope of its creative activity and can contribute in new ways to the organization's success.*

### **INTRODUCTION**

In the final decade of the last millennium, the facility management (FM) industry emerged as one of the fastest growing sectors. Nowadays, the importance of FM is readily acknowledged in many companies which recognize the necessity of properly managing elaborate and expensive support facilities. The tasks are multi-disciplinary and cover a wide range of activities, responsibilities, and knowledge, because every aspect of an organization will come under the purview of FM.

### **MEANING**

Facility management is a professional management discipline focused upon the efficient and effective delivery of support services for the organizations that it serves. It serves to ensure the integration of people, systems, place, process, and technology.

### **THE SCOPE OF FACILITIES MANAGEMENT**

#### **Facility-Oriented FM**

- \* Real estate
- \* Long range planning
- \* Space management
- \* Interior planning
- \* Architecture and engineering services
- \* Maintenance and operations
- \* Budgeting

#### **Management-Oriented FM**

- \* Finance and cost of ownership
- \* Life cycle costing



- Integration of services
- Design for operations and maintenance
- Responsibility
- Cost-effectiveness
- Constant efficiency improvement
- In-house versus contracted-out
- Quality of life

## **BENEFITS**

**Process improvements and strategy development:** Consulting firms provide subject-matter expertise and best practices for the facilities maintenance category. They dedicate resources to researching, reviewing and implementing latest and greatest advancements in the space. At the very least, a fresh perspective on the category can bring to light process improvement opportunities for your organization.

**Implementation of reporting and asset management:** While your company may lack the internal resources and bandwidth, facilities management firms can fully invest the resources required to develop and maximize value through reporting and asset management software. A consistent and accurate risk assessment profile will allow an organization to accurately budget for capital work and minimize failures/emergency situations that lead to costly downtime and premium service rates.

**Preventative maintenance program development:** Preventative maintenance as opposed to reactionary service provides cost savings due to a number of factors. Preventative maintenance minimizes downtime, promotes energy efficiency, limits expensive emergency repairs, and maintains manufacturer warranties on products and equipment. A consulting firm can implement the necessary organization and uniformity from multiple preventative maintenance programs with numerous managers and fragmented data to one holistic program.

**Cost and single point of contact:** The cost savings from the transition to a consultant go beyond the RFP process and benchmark against historic rates. Hiring a consultant presents soft dollar savings internally from payroll, time keeping, human resources, and benefits. In addition, there are soft-dollar savings presented from the reduced need to execute procurement initiatives for the facilities maintenance categories and fewer invoices to process. Finally, a consulting solution provides the benefit of a single point of contact across an organization.

## **IMPORTANCE**

- Increase the cost-efficiency of the business
- Manage health and safety requirements
- Increase the lifespan of your assets
- Monitor and maintain compliancy

## **CHALLENGES**

**Higher cost to transition:** Once the consultant solution is implemented, a company faces a much timelier and expensive process in changing away from this solution. Any change would then have a much bigger impact on category as a whole as suppliers across all facilities operations are subject to change. Under a consulting model, change would cause a widespread disruption in services.

**Loss of control:** Electing to utilize a consultant to manage facilities maintenance may be cost-effective, but the customer company sacrifices the ability to directly handle the workforce. In addition, unique customer requirements and dissatisfaction with work performed become more difficult to communicate.

**Staff turnover:** Consulting firms tend to have a higher turnover rate than an in-house team. Therefore, a consultant is likely less familiar with the unique specifications and requirements

of a particular facility than someone internally. This increases the difficulty in communicating the correct information to contractors.

**Redundancy in management roles:** Along with high turnover, adding a consultant is effectively adding another cog in the machine. With an additional moving part, there's a greater chance of miscommunication and delays in execution. Adding duplicate roles eases the burden on internal staff by simply communicating with account managers at consultant firms, yet this individual is then, in many ways, just repeating that step with the contractors.

**Response time:** The added layer of communication will inevitably slow down response time for urgent, emergency repairs. This can be mitigated by retaining relationships with local suppliers and/or training an in-house team to handle emergency and other small repairs. Working closely with relevant internal organizations can ease the process by identifying key decision factors specific to your company's needs, such as cost reduction, specialized suppliers, and service level agreements. The key is getting a detailed understanding of your organization's needs to formulate a go-to-market strategy to select the right facilities maintenance firm.

#### **Duties of a Facilities Manager:**

- The duties would typically include managing any refurbishments, renovations and office moves to make sure they all run smoothly and according to plan.
- Facilities managers are responsible for the general upkeep and maintenance of buildings to ensure that they meet health and safety standards and also the legal requirements.
- Facilities managers are also responsible for managing the office systems, which can often include the IT and office equipment.
- Individuals working as facilities managers will work for an external company, contracted in to manage a number of different organizations.
- The job title may also differ. It could be anything from business services manager to support services manager or contracts manager.

#### **CONCLUSION**

As a rule, attempting to forecast more than a few years ahead is risky business. All that we can do is to make an educated guess at the directions of change. Whatever direction the changing world takes, the need to evolve always comes with complexity and hardship. Even so, facility managers have reason to view challenges optimistically, as new opportunities. Roles and activities in more integrated FM practice will gradually expand. Wherever facility management is implemented, the aim remains the same. The long-term logic of integrated FM will support its broader future role in organizations, facilitating smooth exchanges between supply and demand sides. The scope of FM operations and services will expand overall, under a more coherent and comprehensive Infrastructure and Facilities. This means the work will be better targeted and more specific in its areas of application, with a perhaps more realistic scope, and more consistent performance.

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## **THE INSTITUTION:**

Established in 1963, in the industrial town of Sivakasi, popularly known as “Mini Japan” in Tamil Nadu, the Ayya Nadar Janaki Ammal College (Autonomous) is a standing testimony to the wisdom and foresight of late Thiru P. Ayya Nadar, a leading entrepreneur and pioneering industrialist of this town. To-day, the Ayya Nadar Janaki Ammal College (Autonomous) is reckoned as one of the leading educational Colleges in Tamil Nadu with excellent infrastructure, competent faculty and promising learners.

From a very humble start with the then pre-university courses in 1963 and added with two Under Graduate courses in 1964, to-day the College is offering 18 Under Graduate courses, 15 P.G. courses, 11 M.Phil. and 7 Ph.D. courses.

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- ✍ Conferred with AUTONOMOUS STATUS in 1987
- ✍ Conferred with FIVE STAR by NAAC in 1999
- ✍ Reaccredited in 3rd cycle with A Grade 3.67/4 by NAAC in 2012
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## **THE DEPARTMENT:**

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