Redefining Management Practices and Marketing In Modern Age

EDITORS

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REDEFINING MANAGEMENT PRACTICES AND MARKETING IN MODERN AGE

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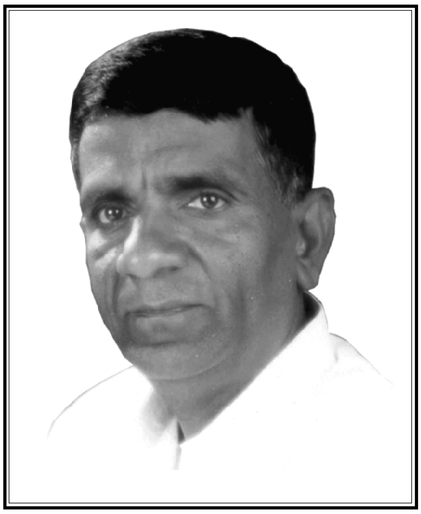
This book is dedicated to

Late Principal Dr. Vijayrao V.Randhe



5th January 2014

The 61st Memorable Birth Anniversary

- FORWORD -

Redefining the concepts and innovations have always been a normal part of society's evolution. While changes are unevenly distributed through time, they are often the divers of incremental innovations. As redefining the management practices and marketing in modern age for the development of market opportunities, they also require new strategies and capabilities. Modern organizations are increasingly diverse, throughout the global community of work environments and settings. The overall theme of the edited book is the complexity of organizational life, given the inevitable need to manage an ever-changing workforce.

Management performs efficient acquisition effective development, utilization and proper coordination of resources. Management thought developed gradually, from past to present and passed through various distinct phases. Management is that field of human behavior in which managers plan, organize, staff, direct and control human, financial resources in an organized group effort in order to achieve desired individual and group objectives with optimum efficiency and effectiveness. In this modern age successful companies are strongly customer focused and heavily committed to marketing. More than any other business function, marketing deals with customers. Creating customer value and satisfaction are at the very heart of modern marketing thinking and practice.

The present book contains scholarly articles and research papers, emphasizing on various emerging challenges and opportunities for business and organisations. We feel immense pleasure being forwarding this book and congratulate all the contributors. We specially congratulate Dr.Dilip B.Patil and Dr.Dinesh D.Bhakkad who have took this imitative to edit a book on this burning theme. This book will be useful for the students community, research scholars, academician, administrators and those who are interested in acquainting the emerging knowledge.

- Dr. Pramod R. Chaudhari
Dean, Faculty of Commerce & Management
North Maharashtra University, Jalgaon

- Dr. Arvind N. Chaudhari
Management Council Member &
Chairman of Business and Administration Board
North Maharashtra University, Jalgaon

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- MESSAGE -

I am happy to know that Athrav Publications, Jalgaon publishing book entitled "Redefining Management Practices and Marketing in Modern Age", in the benefit of the students community, researchers, teachers, administrators and those who are interested in acquainting the emerging issues. I congratulates all contributors of this book, for their research work and wish you a healthy research career. Dr.D.B.Patil and Dr.D.D.Bhakkad has down their work very well as editor and collected contributors from all corners of the nation and some international academician as well.

In the emerging global economy and modern age, management and marketing have increasingly become a necessary component of business strategy and a strong channel for development of economic. With the reason various issues related to Management Practices and marketing has covered in this book. I am sure that the view, research findings and expertise on many important issue will also take effectively among the researchers.

- Dr. S. N. Patel
Principal
S.P.D.M. Arts, Commerce and Science College,
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- PREFACE -

Many articles, research papers incorporated in this edited book deals directly or indirectly with the modern management practices and marketing. We received number of articles, research papers from eminent scholars not only concerns of the nation but at international contributors too. Scrutinized papers have been incorporated in this book, I regret whose papers have not included.

We are gratefully acknowledged to Mr.Tushar V.Randhe, President, Kisan Vidya Prasarak Sanstha, Shirpur for his continuous inspiration and encouragement.

I express my profound gratitude to Dr.P.R.Chaudhari and Dr.Arvind N.Chaudhari for their valuable suggestions, helpful co-operation and their forward massage. It's our great pleasure and humble gratitude to our Principal Dr.S.N.Patel, who keenly gone through this book and encouraged the efforts through his Message.

It is timely necessary to thank Shri.Yuvraj Mali, Athrav Publications, Jalgaon for compilation and printing this book very efficiently in a very short span.

We hope that the findings, conclusion, suggestions, contribution of the researchers in different areas of studies included here, will interest all those concerned with the management of different organizations, researchers and academicians to carry on further studies in these areas. Our efforts will be amply rewarded if research papers will initiate a process of rethinking on the different studies in management and marketing.

- Dr. Dilip B. Patil
- Dr. Dinesh D. Bhakkad

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Customer's Buying Behaviour In The Retail Garment Industry

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Introduction

India's apparel market is in the throes of change. Rapid growth and rising urbanization have spawned a new class of consumers with more money to spend, and a growing passion for fashion. In India's high-growth, fast-changing retail clothing market, we see significant new growth opportunities for foreign and domestic players.

Due to high level of modern technology has paved for incorporating a variety of intelligent materials in clothing substrates. Current day innovations create significant demand and scope on creative capability in the clothing industry, leading to functional clothing. These functional garments exhibit a marked difference in its performance and aesthetic appeal which has a massive impact on today's fashion trends. Such advanced technology has incorporated with fabrics/garments, which not only satisfies the customer basic expectation but also creates customers for innovative and functional fashion apparels.

Customer satisfaction is more critical in retail sector because consumers shift their preference for shop rapidly during the selection of the garments. In the current arena the challenging task is to make customers loyal to ensure the long-term survival and profitability of the firm. Managers of these companies therefore look for the ways to attract the potential customers and to retain the existing customers. Customer satisfaction remains an important and ever discussing topic in the literature with lot of proposed moderating, mediating, and independent variables. The purpose of this research is to find the most critical factors or variables, which contributes more in developing behavioral impact of customer satisfaction on customer retention for retail garment sector. In this sense, the impact of customer satisfaction on customers' behavioral responses is examined. Five behavioral variables namely quality, product criterion, product performance, price and promotions were examined to retain the customer. Understanding the relationship among these variables and obtain and offer an alternative solutions for assuring customer satisfaction are the main aim of this research

3. Methodology

3.1 Participants of the study were customers of various retail shops in Chennai metropolitan city, India. In this research the sample size selected by using non-probability sampling and by employing convenience sampling 500 samples of customers is chosen and they were approached though structured questionnaire in the natural environment. Only 480 usable responses were received and the response rate was 96 per cent.

3.2 Data was collected from the respondents through self-administered questionnaire with minimal interface in non-contrived work settings by considering individuals as unit of analysis. Data was collected by selecting age group (0-25, 26-30, 31-35, 36-40, 41-45 & above) and gender (male, female) as nominal scale. Factor analysis is employed to find the most influencing factors for customer satisfaction

Results and Discussion

The growth of India organized retail industry has changed the shopping behavior of the India consumers. Shopping today is much more than just buying. It is an experience itself. Consumers have various motivations to visit the retail chain stores. Consumers do not buy products or services, but they buy benefits, some tangible and some intangible Several western researchers' had studied shopping motivation, shopping experiences and pleasures in a broader perceptive, but, very limited studies are preceded in the past. Based on the research gap identified this empirical study aims to analyse the customers delight in Garment Retail Chain in Chennai, the fourth largest metropolitan city in India. Clothing and apparel fashion changes rapidly from time to time. Thus, the consumer demand varies according to their demographic, geographic and social cues.

Demographic factors like gender, age, monthly income, living place, marital status, professional situation all make an individual to choose a certain retail chain or branded store, in comparison to the others. Similarly the financial capacity of a person influences his purchasing behaviour i.e., higher the earning higher will be his/her spending power on garments and clothing.

Table: 4.1 indicate that, majority i.e., 55 per cent of customers surveyed are male and the rests of 45 per cent of respondents are female. It has been concluded that majority of the respondent are male. It has been observed that, 21.90 per cent of retail garments

TABLE: 4.1 Gender of The Respondents

TABLE: 4.1
GENDER OF THE RESPONDENTS

Sl. No	Gender	No of the Respondents	Percentage
1.	Male	264	55.00
2.	Female	216	45.00
	Total	480	100
Sl. No	**Age**	**No of the Respondents**	**Percentage**
1.	Less 25 years	72	15.00
2.	26 – 30 years	105	21.90
3.	31 – 35 years	97	20.20
4.	36 – 40 years	73	15.20
5.	41 – 45 years	75	15.60
6.	Above 45 years	58	12.10
	Total	480	100

customers are aged between 26 – 30 years. Followed by, 20.20 per cent of respondents belong to the age group of 31 – 35 years and 15.60 per cent of sample subjects are under the age category of 41 – 45 years. Similarly, 15.20 per cent of respondents are aged between 36 – 40 years and 15 per cent of customers' are aged below 25 years. Further, the rests of 12.10 per cent of respondents are aged above 45 years.

Thus, it has been concluded that 21.90 per cent of retail garments customers' are aged between 26 – 30 years.

From table 4.2, it has been observed from the data analysis that, majority of customers have opined that they pay more attention towards fabric varieties at the time of purchase; it has been ranked in first place with on an average score of 2.74. Followed by it has been observed that shoppers in Chennai give more preferences to the cloth style, varieties and colour, design and at its association with the cloth materials. These variables are duly ranked in the second, third and fourth positions by the sample participants with the mean score of 2.57, 2.38 and 2.27, respectively.From the data analysis it has been found that, majority of customers' opined that they prefer to buy fabrics which could be maintained easily, it has been ranked in first place with mean score of 3.97. Consequently, respondents give importance to the cloth safety, fabric care, fabric durability, look & style and comfort of the cloth material. These variables are ranked in second, third, fourth, fifth and sixth places by the customers' with mean score of 3.74, 3.53, 3.42, 3.18 and 3.08, respectively. Further it has been inferred that, most of the customers' have said that they expect credit card facilities in the shops while purchasing, it has been ranked in first place with an average score of 3.08. Followed by, clothing shoppers seek for discount offers, economic i.e., cost effective, comfortable price range and at its association with the cloth materials. These variables are ranked in second, third and fourth places with mean score of 2.46, 2.24 and 2.19, correspondingly.

TABLE: 4.2

Figure 4.1 and Table 4.2 indicates that, majority of

TABLE: 4.2 FACTORS THAT INFLUENCES CUSTOMERS BUYING BEHAVIOUR

TABLE: 4.2
FACTORS THAT INFLUENCES CUSTOMERS BUYING BEHAVIOUR

Factors	Total Sum	Average Mean	Rank
Product Criterion			
Cloth Style	1233	2.57	2
Colour, Design and Material	1088	2.27	4
Wide choice	1143	2.38	3
Fabric Varieties	1314	2.74	1
Product Performances			
Look and fashionable	1528	3.18	5
Size & Comfort in fitting	1480	3.08	6
Easy Fabric Care	1692	3.53	3
Fabric Durability	1642	3.42	4
Cloth Safety	1794	3.74	2
Ease of maintenance	1907	3.97	1
Price			
Comfortable Price Range	1052	2.19	4
Economic Pricing	1075	2.24	3
Discounts	1183	2.46	2
Facilities of Using Credit Cards	1476	3.08	1
Promotions			
Trust in Advertisement / Commercials	875	1.82	2
Concern towards Social Values	871	1.81	3
Seasonal offers	1127	2.35	1
Quality (Product)			
Fabric Construction & Workmanship	890	1.85	2
Fabric Quality	870	1.81	3
Colour fastness	1114	2.32	1
Quality (Retailer Services)			
Reputation of Retailer	1826	3.80	5
Brand Stock – In	1766	3.68	7
Convenience in Shopping	1781	3.71	6
Retail Store Image	1880	3.92	4
Location of Shop	1894	3.95	3
Salesmanship & Courtesy	1996	4.16	2
Ambiences & Parking Facilities	2254	4.70	1

Source: Primary Data

the sample subjects have said that they buy clothing during seasonal offers; it has been ranked in first place with mean score of 2.35. Subsequently, consumers' concern towards social values and advertisement/ commercials also influence their purchase behaviour. These variables are placed in second and third rank with mean score of 1.82 and 1.81, respectively.

It has been observed from the data analysis that, majority of customers have said that they take serious concern about colour fastness of the material at the time of purchase; it has been ranked in first position with an average score of 2.32. Followed by, it has been inferred that respondents give importance to fabric quality and fabric construction & workmanship of the garments sold at retail chain. These variables are ranked in second and third positions with an average score of 1.85 and 1.81, accordingly.

Similarly, the data analysis indicates that, most of the customers' have expressed importance to their shopping experiences like: good ambiences & parking facilities in the showroom while shopping, ranked in first place with an average score of 4.70. Salesmanship & courtesy, location of shop, reputation of retail stores, and reputation of retailer, conveniences in shopping, brands and at its association with the retail chain garments. These variables are ranked in second, third, fourth, fifth, sixth and seventh places with mean score of 4.16, 3.95, 3.92, 3.80, 3.71 and 3.68, respectively.

Thus, from the elaborate data discussion it has found that, cloth shoppers give more preferences to the fabric varieties, easiness of its maintenance, credit cards facilities, seasonal offers, colorfastness and good ambiences & parking facilities at the time of purchasing in garments retail chain and these variables acquire first position in their own criterion.

Consumer decision on buying fashion apparel is also governed by the price sensitivity factor to a large extent. In this situation, retailers have the opportunity to use store brands in the process of 'branding' the store formula. The store brands for fashion apparel in a large number of markets have been favored by a set of factors that include actions by manufacturers and distributors on price and differentiation, market competition at both a manufacturer and a retailer level, and the economic-financial results of the latter for the product categories in which they work with the store brands. With the cultural change in buying apparel from low price brands to designer brands in emerging markets has been institutionalized in a family environment. This it became necessary for a researcher to analyse the spending habits of clothing customers. The following table discusses on this specific issue.

In India seasonal factors like climatic changes and festivities greatly influences the clothing and apparel buying behaviour. The following table portraits the seasonal buying behaviour.

TABLE: 4.3 CUSTOMERS' OPINION ON SEASONS PREFERRED FOR SHOPPING

TABLE: 4.3
CUSTOMERS' OPINION ON SEASONS PREFERRED FOR SHOPPING

Sl. No	Seasons	No. of the Respondents N=930	Proportionate Percentage
1.	Festivals	254	52.92
2.	Birthdays	136	28.33
3.	Weddings	129	26.88
4.	Aadi Discount Sales	158	32.92
5.	Specials Occasions	253	52.71

Source: Primary Data

Table 4.3, indicates that, 52.92 per cent of customers' have opined that they prefer to purchase during festival seasons. Followed by, 52.71 per cent of respondents' used to shop for special occasions and 32.92 per cent of customers' have shopped during aadi discount sales. Further, 28.33 per cent of respondents' have opined that they purchase for birthday celebrations and rests of 26.88 per cent of customers' buy clothing's during wedding functions.

Factor analysis technique has been applied to find the underlying dimension (factors) of factors influencing buying behaviour among the sample consumers' that exists among the 27 variables, with that of store's preferences factor.

Table 4.4 CUMULATIVE PREFERABLE FACTOR

Table 4.4
CUMULATIVE PREFERABLE FACTOR

Variables	Initial	Extraction
Product Criterion		
Cloth Style	1.000	.923
Colour, Design and Material	1.000	.916
Wide choice	1.000	.917
Fabric Varieties	1.000	.872
Product Performances		
Look and fashionable	1.000	.818
Size & Comfort in fitting	1.000	.820
Easy Fabric Care	1.000	.868
Fabric Durability	1.000	.872
Cloth Safety	1.000	.875
Ease of maintenance	1.000	.920
Price		
Comfortable Price Range	1.000	.912
Economic Pricing	1.000	.813
Discounts	1.000	.855
Facilities of Using Credit Cards	1.000	.852
Promotions		
Trust in Advertisement / Commercials	1.000	.943
Concern towards Social Values	1.000	.951
Seasonal offers	1.000	.940
Quality (Product)		
Fabric Construction & Workmanship	1.000	.807
Fabric Quality	1.000	.900
Colorfastness	1.000	.846
Quality (Retailer Services)		
Reputation of Retailer	1.000	.862
Brand Stock – In	1.000	.805
Convenience in Shopping	1.000	.927
Retail Store Image	1.000	.777
Location of Shop	1.000	.982
Salesmanship & Courtesy	1.000	.840
Ambiences & Parking Facilities	1.000	.917

Table 4.5
PREFERABLE FACTOR THAT INFLUENCED
BUYING BEHAVIOUR

Factors	Factor interpretation	Variables included in the factors	Cronbach's Alpha
F_1	Globus stores	Cloth Style, Wide choice, Facilities of Using Credit Cards, Reputation of Retailer, Brand Stock – In, Convenience in Shopping, Salesmanship & Courtesy, Ambiences & Parking Facilities	.838
F_2	RMKV	Colour, Design and Material, Easy Fabric Care, Ease of maintenance, Concern towards Social Values, Seasonal offers	.833
F_3	The Chennai Silks	Look and fashionable, Comfortable Price Range, Fabric Construction & Workmanship, Fabric Quality	.762
F_4	Koutons Retail India Ltd	Cloth Style, Colour, Design and Material, Fabric Varieties, Economic Pricing, Discounts	.749
F_5	Nalli Silk	Cloth Safety, Fabric Quality, Colorfastness, Retail Store Image	.728
F_6	Pantaloon Retail India Ltd	Size & Comfort in fitting, Fabric Durability, Comfortable Price Range, Brand Stock – In	.721
F_7	Lifestyle	Trust in Advertisement / Commercials, Concern towards Social Values, Reputation of Retailer	.691
F_8	Westside	Ambiences & Parking Facilities	.657

Source: Computed From Primary Data

The inter-item correlation and inter-item consistency of each Factor was also measured by calculating each Factor s Cronbach s alpha (Cronbach 1951). Cronbach s alpha is a coefficient of consistency and measures how well a set of variables or items measures a single, unidimensional latent construct. A value of more than 0.6 Cronbach's alpha is considered a good measure of scale reliability (Nunnally 1978). Factor analysis was used to find out the preferable factor that influenced buying behaviour. The Cronbach's reliability values (.838, .833, .762, .749, .728, .721, .691 and .657) indicate significant correlation in preferable factor that influenced buying behaviour and the store selection by the sample consumers'.

Consumer decision on buying fashion apparel is also governed by the price sensitivity factor to a large extent. In this situation, retailers have the opportunity to use store brands in the process of 'branding' the store formula. The store brands for fashion apparel in a large number of markets have been favored by a set of factors that include actions by manufacturers and distributors on price and differentiation, market competition at both a manufacturer and a retailer level, and the economic-financial results of the latter for the product categories in which they work with the store brands. With the cultural change in buying apparel from low price brands to designer brands in emerging markets has been institutionalized in a family environment.

Limitations and Future Research

As is the case with most research, our study also has some limitations. This study has an issue of generalizability as data is only collected in Chennai city only. This study is done without any moderating or mediating variable that can alter the relationship. Future research should attempt to replicate this study in any other context. Future research can also include other important moderating or mediating variables that contribute to the well-being and growth of firms by retaining more customers or by enhancing customer retention.

Practical and Managerial Implications

The role of the satisfaction, trust and reputation of firm have been increasing simultaneously in order to attract and retain customers, it is incredibly necessary for the executives and brand managers to understand the customers' needs and making them satisfied as much as possible by working on mentioned independent variables in the retail sector, as a result of this customers will remain stick with the organization on long term basis as an important part of the organization. If it is done systematically with managerial insights, then they can retain their customers and it will be win-win situation for organization and customers as well.

Conclusion

This research has found that Fabric Varieties, Ease of maintenance, Facilities of Using Credit Cards, Seasonal offers, Colour fastness, Ambiences & Parking are the major factors influencing the customer behavior and customer satisfaction under five category of behaviour variable namely quality, product criterion, product performance, price and promotions. It was found that to delight the customer, all the consumer decision on buying fashion apparel is governed by the price sensitivity factor to a large extent. Most of the customers' expect credit card facilities in the shops while purchasing, it has been ranked in first place followed by, clothing shoppers seek for discount offers, economic i.e., cost effective, comfortable price range and at its association with the cloth materials. In this situation, retailers have the opportunity to use store brands in the process of 'branding' the store formula. With the cultural change in buying apparel from low price brands to designer brands in emerging markets to retain the customer is the strategic decision and the result highlighted the core area for the retail garment outlet to formulate a strategies.

References

Various Sources

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A Study About Modern Marketing Trends in India

- Vijaykumar G. Shinde
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Introduction

Marketing is the process of communicating the value of a product or service to customers. Marketing might sometimes be interpreted as the art of selling products, but sales is only one part of marketing. As the term "Marketing" may replace "Advertising" it is the overall strategy and function of promoting a product or service to the customer. From a societal point of view, marketing is the link between a society's material requirements and its economic patterns of response. Marketing satisfies these needs and wants through exchange processes and building long term relationships. The process of communicating the value of a product or service through positioning to customers. Marketing can be looked at as an organizational function and a set of processes for creating, delivering and communicating value to customers, and managing customer relationships in ways that benefit the organization and its shareholders. Marketing is the science of choosing target markets through market analysis and market segmentation, as well as understanding consumer buying behavior and providing superior customer value. The set of engagements necessary for successful marketing management includes, capturing marketing insights, connecting with customers, building strong brands, shaping the market offerings, delivering and communicating value, creating long-term growth, and developing marketing strategies and plans.

Objectives of Study:-

Following are some objective of study.

1. To study the marketing concept.
2. To study the five concepts in marketing.
3. To study customer orientation in marketing.
4. To study new marketing trends in India.

Research Methodology:-

The paper is based on the conceptual study and for preparing the paper only secondary data is used. The information and data is collected through various journals, books, periodicals and also using various websites.

Analysis

The management process through which goods and services move from concept to the customer. It includes the coordination of four elements called the 4 P's of marketing such as Identification, selection and development of a product, Determination of its price, Selection of a distribution channel to reach the customer's place, and Development and implementation of a promotional strategy. Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. For example, new Apple products are developed to include improved applications and systems, are set at different prices depending on how much capability the customer desires, and are sold in places where other Apple products are sold. In order to promote the device, the company featured its debut at tech events and is highly advertised on the web and on television. Marketing is based on thinking about the business in terms of customer needs and their satisfaction. Marketing differs from selling because (in the words of Harvard Business School's retired professor of marketing Theodore C. Levitt) "Selling concerns itself with the tricks and techniques of getting people to exchange their cash for our product. It is not concerned with the values that the exchange is all about. And it does not, as marketing invariable does, view the entire business process as consisting of a tightly integrated effort to discover, create, arouse and satisfy customer needs." In other words, marketing has less to do with getting customers to pay for our product as it does developing a demand for that product and fulfilling the customer's needs.

The Five Concepts in Marketing

What philosophy should guide a company marketing and selling efforts? What relative weights should be given to the interests of the organization, the customers, and society? These interest often clash, however, an organization's marketing and selling activities should be carried out under a well-thought-out philosophy of efficiency, effectiveness, and socially responsibility.

1. The Production Concept: This concept is the oldest of the concepts in business. It holds that consumers will prefer products that are widely available and inexpensive. Managers focusing on this concept concentrate on achieving high production efficiency, low costs, and mass distribution. They assume that consumers are primarily interested in product availability and low prices. This orientation makes sense in developing countries, where consumers are more interested in obtaining the product than in its features.

2. The Product Concept: This orientation holds that consumers will favor those products that offer the most quality, performance, or innovative features. Managers focusing on this concept concentrate on making superior products and improving them over time. They assume that buyers admire well-made products and can appraise quality and performance. However, these managers are sometimes caught up in a love affair with their product and do not realize what the market needs. Management might commit the "better-mousetrap" fallacy, believing that a better mousetrap will lead people to beat a path to its door.

3. The Selling Concept: This is another common business orientation. It holds that consumers and businesses, if left alone, will ordinarily not buy enough of the selling company's products. The organization must, therefore, undertake an aggressive selling and promotion effort. This concept assumes that consumers typically sho9w buyi8ng inertia or resistance and must be coaxed into buying. It also assumes that the company has a whole battery of effective selling and promotional tools to stimulate more buying. Most firms practice the selling concept when they have overcapacity. Their aim is to sell what they make rather than make what the market wants.

4. The Marketing Concept: This is a business philosophy that challenges the above three business orientations. Its central tenets crystallized in the 1950s. It holds that the key to achieving its organizational goals consists of the company being more effective than competitors in creating, delivering, and communicating customer value to its selected target customers. The marketing concept rests on four pillars: target market, customer needs, integrated marketing and profitability.

5. The Societal Marketing Concept: This concept holds that the organization's task is to determine the needs, wants, and interests of target markets and to deliver the desired satisfactions more effectively and efficiently than competitors (this is the original Marketing Concept). Additionally, it holds that this all must be done in a way that preserves or enhances the consumer's and the society's well-being.

Distinctions between the Sales Concept and the Marketing Concept:

1. The Sales Concept focuses on the needs of the seller. The Marketing Concept focuses on the needs of the buyer.
2. The Sales Concept is preoccupied with the seller's need to convert his/her product into cash. The Marketing Concept is preoccupied with the idea of satisfying the needs of the customer by means of the product as a solution to the customer's problem (needs).
3. The Marketing Concept represents the major change in today's company orientation that provides the foundation to achieve competitive advantage. This philosophy is the foundation of consultative selling.

Customer orientation

Constructive criticism helps marketers adapt offerings to meet changing customer needs. A firm in the market economy survives by producing goods that persons are willing and able to buy. Consequently, ascertaining consumer demand is vital for a firm's future viability and even existence as a going concern. Many companies today have a customer focus. This implies that the company focuses its activities and products on consumer demands. Generally, there are three ways of doing this: the customer-driven approach, the market change identification approach and the product innovation approach. In the consumer-driven approach, consumer wants are the drivers of all strategic marketing decisions. No strategy is pursued until it passes the test of consumer research. Every aspect of a market offering, including the nature of the product itself, is driven by the needs of potential consumers. The starting point is always the consumer. The rationale for this approach is that there is no reason to spend R&D funds developing products that people will not buy. History attests to many products that were commercial failures in spite of being technological breakthroughs.

A formal approach to this customer-focused marketing is known as **SIVA** (Solution, Information, Value, and Access). This system is basically the four Ps renamed and reworded to provide a customer focus. The SIVA Model provides a demand/customer-centric alternative to the well-known 4Ps supply side model (product, price, placement, promotion) of marketing management.

Product	’	Solution
Promotion	’	Information
Price	’	Value
Place (Distribution)	’	Access

If any of the 4Ps were problematic or were not in the marketing factor of the business, the business could be in trouble and so other companies may appear in the surroundings of the company, so the consumer demand on its products will decrease. However, in recent years service marketing has widened the domains to be considered, contributing to the 7P's of marketing in total. The other 3P's of service marketing are: process, physical environment and people.

New marketing trends in India

The world is today all of 7 Billion people. 1.2 Billion of them reside in India. Maybe a lot more than that as well, as it is firmly believe our population fact is an understatement rather than a statement. Of the 7 Billion in the world, as much as 5 Billion are people a typical marketer would put outside of the active branded consumption mindset. This mass is really, really large. This mass is one that is growing not only in terms of size, but aspiration as well. The opportunity ahead is therefore in this big mass. If we look at India in particular, this mass could be as large as all of 840 Million people. 840 million people waiting on the precipice of a brand buy. 840 Million People who have a rather skin deep penetration of brands today. And most of these brands that have penetrated their lifestyles may be in the realm of telecom, telecom services, and basic FMCG products. Imagine the opportunity ahead as this mass booms in terms of aspiration to buy and aspiration to consume. Imagine the opportunity ahead as this mass moves from products to services. From the basic to the value-added segment as well. The opportunity ahead is large.

Look at India today. In many ways modern India has been built by brands that started their early work in the first few years of the last decade. Look at telecom. Telecom brands have helped place 942 million handsets in the hands of as many as 670 Million people in India. The halfway mark has been breached. Look at the telecom service providers who power these handsets with basic and value added services. Look at every FMCG player in the market who has quietly built a super-structure of active consumption of brands. India is a nation of 1.2 Billion bellies and bladders. As many bellies, that much the opportunity for food. As many bladders, that much the opportunity for every kind of beverage. And guess what, the Indian at large has not only belly and bladder. Add to it thirty-one other body parts that crave for branded solutions. The hair for hair oil and hair dye alike, the skin for moisturizer and vitamin creams alike, and lots lots more. The real opportunity ahead is looming large, and lies in India's under-penetrated categories. The opportunity lies equally in rural as in urban. Our big asset is population. And population is an asset that delivers slowly. Its time to deliver has come. The marketing and brand fraternity needs to wake up to this opportunity and leverage it to advantage. There is a problem though. The opportunity is out there in terms of numbers, but this opportunity can be leveraged only by those who do believe in 'market creation' exercises, rather than 'market reaping' processes that have dominated past decades. Time to change that mindset altogether. And this is difficult. Markets of the future that lie in the realm of the bottom 5 Billion of the world population opportunity, will need to be created, rather than reaped. And that is a mindset that needs to dominate 2013. Create first. Reap later. The era of Instant gratification for the marketer is over.

As India becomes an opportunity that is getting bigger and bigger, marketers need to however remember one big trend point to tread carefully for the years ahead. The marketer needs to get inclusive. The marketer needs to think of the masses that are larger than what he defined to be his masses. The marketer needs to reach out to potential consumers and non-consumers alike. Every brand offering needs to have two avatars. One for the potential buyer and one for the non-buyer. The marketer needs to molly-coddle the non-buyer as well today, with the hope of him being a vital part of his future market. Marketers that forget this basic tenet will get excluded from consumer mindsets. In the future, we cannot depend on our advertising to buy markets. We will instead need to depend on our good market creation work to put together our markets. The India Marketing Rubik's cube is in our hands. We need to create the right picture on every side of the cube. Not only the one side we were comfortable with all these decades.

Conclusion:-

India has huge potential for growth in every sector. India is third largest economy on basis of purchasing power and having GDP growth of more than 8% for more than 4 years. India has huge potential in every sector like telecommunication, consumer durables, pharmacy, infrastructure, banking and insurance and service sector which is contributing more than 50% to GDP. It will keep you updated about recent market updates and innovation and development in various sectors. The demand for marketing is going to keep increasing for at least for the next 20 years. Indian market is now becoming a global market. With so many new companies entering in to the Indian market it is very much necessary for these companies to promote their product, to enter into the inner market and also to compete with its competitors. Therefore it is very much necessary for the companies to market itself and its product. Also it is marketing which create awareness among the customer for any good and services.

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Innovation In Marketing In 21st Century : Need Of Indian Market For Being In Competition

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Introduction

Innovation is the application of new solutions that meet new requirements, inarticulate needs, or existing market needs. This is accomplished through more effective products, processes, services, technologies, or ideas that are readilya vailable markets, governments and society. The term innovation can be defined as something original and new that "breaks in to" the market or into society. One usually associates to new phenomena that are important in some way. A definition of the term, in line with these aspects, would be the following: An innovation is something original, new, and important - in whatever field - that breaks in to (or obtains a foothold in) a market or society.

In business and economics, innovation is the catalyst to growth. With rapid advancements in transportation and communications over the past few decades, the old world concepts of factor endowments and comparative advantage which focused on an area's unique inputs are outmoded for today's global economy. Economist Joseph Schumpeter, who contributed greatly to the study of innovation, argued that industries must incessantly revolutionize the economic structure from within, that is innovate with better or more effective processes and products, such as the shift from the craft shop to factory. He famously asserted that "creative destruction is the essential fact about capitalism." In addition, entrepreneurs continuously look for better ways to satisfy their consumer with improved quality, durability, service, and price which come to fruition in innovation with advanced technologies and organizational strategies.

Innovation in Marketing

Marketers in many industries know that innovation through new product development is vital to remain competitive. But product decisions are not the only areas affected by new developments. As we've discussed throughout the Principles of Marketing Tutorials, innovation can affect almost all marketing areas. The Internet is transforming how all functional areas of an organization perform work. However, it can be argued that no functional area has been more affected than marketing. Throughout the Principles of Marketing Tutorials we have seen evidence of how the Internet has impacted marketing. Over the next decade it is expected that the Internet's effect on marketing will continue to grow and marketers are well served to embrace this.

How to Breed Innovation

Without innovation, you're relegated to following others and reaping the meager offerings of a commodity business. Most entrepreneurs know this intellectually, but it's too easy to give lip service to innovation while undercutting the actual process in the office.

In a recent Harvard Business Review blog post, Harvard Business School professor Rosabeth Moss Kanter wrote what she called nine rules for stifling innovation. They come down to specific ways that people damage the innovation process, usually without realizing it. Here are three takeaways:

Innovation is inclusive, not exclusive

A classic mistake—not just for entrepreneurs, but also for many established executives—is to assume that the good ideas come from a small circle of insiders. Such people may dismiss ideas presented by rank-and-file employees or simply restrict all innovative activity, like brainstorming sessions, to select groups.

This is a problem because innovation needs creativity, and one of the best ways to get creativity is to enable different ideas to meet each other. Netflix prospers today because someone realized that you could download files from the Internet, and movies are just very large files. Use only the insiders and you greatly limit the new combinations of ideas and experiences that you need because those people become used to each other. You need new blood to shake things up.

Innovation needs time and resources

Any business process needs room to happen. Restrict the time, energy, and other resources required and it simply won't happen. Employees need space to daydream, experiment, and consider things that may ultimately lead nowhere.

If you make everyone account for every minute and penny in hopes of running a tight ship, you will choke off innovation for the sake of a false efficiency. Running a business requires taking chances and then using prudent risk management to keep the negative implications from being too great. The only guarantee you get is if you *don't* innovate, and that's one that entrepreneurs don't want.

Innovation needs a nurturing atmosphere

The best products, services, and business practices didn't come fully formed. They emerged after a number of mistakes and wrong turns, all of which were actually investments in the final result.

If you want to encourage innovation, stop punishing people for mistakes, encouraging employees to compete for managerial favor, and publicly dismissing ideas from your team.

The Three types of Innovations

Sustaining products and services are the kinds of innovations companies often need to develop just to stay in the game. These incremental innovations can be thought of as variations on a theme. For example, in the category of household cleansers, a sustaining innovation might involve making the cleaning agent 10% stronger or pairing it with a new scent.

Breakout offerings are those that significantly up the level of play within an existing category. The sleek Motorola Razr, with its boundary-pushing design, was a runaway success for Motorola. Seeing it, customers couldn't help but want it—over time making it the best-selling line of clamshell phones ever. That said, it was still a clamshell phone, sold and used in much the same way as previous cell phones.

Disruptive innovations are the sort of big ideas that many of us have in mind when we think about an innovation. They are called disruptive because they disrupt the current market behavior, rendering existing solutions obsolete, transforming value propositions, and bringing previously marginal customers and companies into the center of attention. The iPod, which radically changed the way we listen to and buy music, is one such innovation.

To help explain the difference between these three types of innovations, let's look at the coffee industry. When Maxwell House came out with a dark roast version, it introduced a sustaining innovation. While a new flavor, it was only a variation on their existing products that customers could instantly understand. A breakout innovation was General Foods' line of International Coffees, which added gourmet flavors to the instant coffee category and elevated the at-home coffee experience. And Starbucks has obviously been a disruptive innovation, turning coffee into a destination experience worth paying a lot more for.

Note that in a given category, disruptive innovations often come first and are then followed by a series of incremental innovations, with sporadic breakout hits interspersed. Eventually, the market is disrupted once again, starting the cycle anew.

Not all Innovations Perform the Same

Because disruptive innovations have the potential to yield the greatest benefit to a company, firms often make the mistake of thinking that disruptive products should lead to immediate market success. Even worse, some firms unwittingly begin to classify their products purely on the basis of their immediate market forecast, calling likely big hits "disruptive." In fact, the opposite is true. Because disruptive offerings differ significantly from the status quo, they often test poorly and require time to gain market acceptance. Indeed, one should actually be suspicious of so-called disruptive innovations that show immediate widespread success.

Managing Different forms of Innovation

Too often, work on a disruptive innovation gets bogged down in a system that is optimized for the creation of sustaining offerings. The success of the project comes to depend less on the quality of the innovation and more on the quality of the deals the team can cut. Such projects demonstrate the importance of establishing different metrics and procedures in advance of each project so that teams know the goalposts they're aiming for and can tailor their approaches accordingly.

For disruptive endeavors, success typically requires different development processes, different approval and funding mechanisms, and different performance expectations.

Diversifying Your Portfolio: Managing Risk and Reward

By tailoring the product development process for different types of innovations, a firm can give itself the opportunity to generate immediate new product revenues while still nurturing future opportunities. To support that goal, companies should classify each of its new product concepts within the framework of sustaining, breakout, or disruptive. This allows a company to manage risk and reward at a portfolio level.

For instance, some companies seek to develop a healthy balance of all three in order to meet the needs of today and tomorrow. In other cases, companies are able to focus their innovation efforts by clearly stating that they are prioritizing the development of breakout products and consciously minimizing the exploration of disruptive opportunities.

Innovation statistics

Among the EU Member States, the highest shares of innovative enterprises during the period 2008-2010 (see Figure 1) were observed in Germany (79.3 % of all enterprises), Luxembourg (68.1 %) and Belgium (60.9 %). More than half of all enterprises (52.9 %) in the EU-27Member States (excluding Greece) reported innovation activity. The lowest shares were recorded in Bulgaria (27.1 %), Poland (28.1 %) and Latvia (29.9 %).

As regards the types of innovation that enterprises engage in, Figure 2 shows innovation in the different countries broken down by three categories of innovators: product and/or process innovators only (excluding organizational and/or marketing innovation), organizational and/or marketing innovators only (excluding product and/or process innovation) and enterprises that developed both categories: product/ process innovation and organizational/marketing innovation. It seems that in the countries where the shares of innovative enterprises are high, the share of innovative enterprises that combine product/process and organizational/marketing innovation tends to be high too. In Germany, Luxembourg and Belgium, the shares of innovative enterprises are proportionally higher and these innovative enterprises tend to report both categories of innovation (58.7 %, 61.5 % and 55.4 % respectively). In contrast, the countries with low shares of innovative enterprises seem to have proportionally fewer innovative enterprises that develop both types of innovation: in Romania, only 32.3 % of innovative enterprises developed both types of innovation, in Latvia 34.5 %, in Poland 33.3 % and in Bulgaria 29.5 %.

Innovation cooperation

Among product and/or process innovative enterprises in the EU-27, more than one in four enterprises (25.5 %) was engaged in cooperation regarding their innovation activities (see Table 1). This cooperation might be with other enterprises within the group, suppliers, commercial labs, universities or public research institutes. The remaining (74.5 %) relied only on internal resources. The highest shares of innovation cooperation were found in Cyprus (62.3 % of all product and/or process innovative enterprises), Austria (51.0 %), Slovenia (44.7 %), Lithuania and Hungary (43.3 % and 43.2 % respectively), and the lowest in Italy (12.1 %), the United Kingdom (13.7 %), Malta (18.5 %), Portugal (19.5 %), Spain (22.3 %) and Bulgaria (22.4 %).

In the same table, the shares of product and/or process innovative enterprises that cooperate are broken down by size class. According to these results, small, medium-sized and large enterprises behave differently: the larger the innovative enterprises are, the more they cooperate. This is the case for all countries except Latvia, Luxembourg and Iceland, where medium-sized enterprises (50-249 employees) cooperate less than small enterprises (10-49 employees).

Marketing innovation

Marketing innovation is developed in more than one in four enterprises in the EU-27 (26.8 %). Germany, Luxembourg and Portugal provide the highest shares of marketing innovators. With the recent inclusion of organizational and marketing innovation in the innovation statistics, information can now be obtained on which types of new marketing methods are developed by innovative enterprises.

By estimation (excluding Denmark, Greece and the United Kingdom, for which data are not available), the most common novelty or improvement among European marketing innovators is the introduction of new media or techniques for product promotion. Cyprus, the Czech Republic and Ireland are the leaders in this specific type of marketing innovation. The most common implementations are, in decreasing order: significant changes to the aesthetic design or packaging, new methods of pricing goods or services and new methods of product placement.

Conclusion

By the above declaration and data it can be easily concluded that innovation are very important now days for being in Competition. In recent scenario Marketing in totally interrelated with Innovation.

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A Journey From Customer Relationship Management (CRM) To Corporate Renaissance (CR)

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Introduction

Industrial production of India rose by a mere 1.6% in the first six months of 2001-2 over the previous year…Indian exports fell by 2.3% in the first five months of the current financial year...Gross domestic product (GDP) hovers around 6% in the first six month of the current financial year thanks to higher contributions from the service sector…The growth projections are not sustainable in the nearer frame of time. Bank borrowings of the Indian companies plummeted 40% to Rs.20, 894 crores in the first six months of the current financial year. In the cellular business, it costs five times more to acquire a customer. It is the same in every business. Retaining this customer is the critical first step for successes.

Indian business is in full gloom as these quick statistics show. In line with the unmistakable signs of a global recession, more pronounced after the tragic events of September the Eleventh in USA, Indian corporate as a whole, stand numb at the plummeting profits, spiraling customer expectations and a long struggle to stay afloat. The search is on for a winning formula, a quick pull back and for a continued relevance.

In simple words, the business in India and indeed in South Asia is on the look out for a corporate renaissance. For some, the search ends on such traditional tips as cost reduction, re-engineering, and market expansion and productivity improvement. The others are experimenting with such new remedies as customer orientation, customer service & care; quick product launches and niche development. In this burgeoning crowd of corporate mourners, there are several braves and visionaries too (Aditya Birla group, RPG and Netcraft for instance). They have tuned-in to an altogether new way of doing business and effecting corporate renaissance-customer relationship management (CRM for short).

The paper aims therefore, to describe briefly the concept of customer relations management, the ingredients of a CRM and the myths surrounding it. It hopes to stimulate a serious discussion on how CRM can be effectively used for a corporate renaissance in South Asia, which is reeling under a business downturn. Finally, it recommends that the CRM should be aggressively incorporated in the business education curricula so that the business schools of this part of the world continue to be the source of intellectual output and corporate training.

CRM: A Concept in the Making

If the essence of CRM is customer and continuity, the term CRM can as well be an acronym for any of the following cognate marketing terms:

- Caring Relations Management (CRM)
- Continuous Relations Management (CRM)
- Creative Relations Management (CRM)
- Customer Retention Management (CRM)
- Customer Return Management (CRM)
- Cost Reduction Management (CRM)
- Cost and Return Management (CRM)

In more ways than one, CRM represents a logical end of the philosophy that the business should be customer oriented (*Gamble etal, 2000, Payne 1997*). It traversed successive strains of thoughts to reach what is now viewed as a new business paradigm. For instance, the early marketing paradigms prevalent until the sixties, ordained marketers to satisfy customer needs that were essentially nature created. Later in the seventies, the marketing functions served the customers wants that were nothing but 'specific solutions' to the needs and were the outcome of the marketing initiatives. Marketing thoughts of the eighties devoted themselves to meet the higher, more lifestyle oriented demands and expectations of customers. These were the result of the then social and economic environment. The nineties witnessed the most potent force of our times, information technology. Naturally marketing thoughts focused on how to leverage on the same and serve the customers (*Kotler, 2000*). One of the fallout of the era is Customer relationship management. CRM thus, represents 'the marriage between the customer orientation and the emerging information technology to produce a memorable relationship experience to the marketers as well as to the customers'.

The CRM concept and technology is more than just identifying who our customers are, providing them with a quality service and analyzing their preferences. The key dimensions of CRM that were largely ignored in the past are customer loyalty and customer profitability. A report published in the Harvard Business Review identified that an increase in customer loyalty by five percent could increase profits in telecom by over 50 percent (*Cockburn, 2000*). A recent study by ICL for a UK Telco too highlights importance of retention of profitable customers, especially the top ten percent of profitable customers in terms of generating additional revenue and profit. For example, through a business model, it forecasts that a ten percent churn in the segment of top customers would reduce profits by more than 25 percent:

The business focus must be on the high value customer segments, specifically to ensure their retention and revenue growth by excellent customer service and by individually tailored services. In an example from the utility industry where the ABC method was used to determine the cost of the customer activities, it was found that the maximum profit was achieved with 85 per cent of the customer base, yet 15 per cent of least-value customers dissipated the profit accumulated by the higher ranked 45 per cent. These revenue and profit profiles serve to illustrate how important profitability analysis is to the health of the business. It sets the scene for a remedial action through CRM.

How to Strategise CRM

Given the importance of the CRM in business, it is a high-stake strategy and is planned carefully and holistically (*Buttle, 1996; Boar, 1995, Brown and PriceWaterhouse Coopers, 1999*). It is an orchestration of a series of inputs and processes that must come right.

An effective CRM strategy needs to be customized for a business as a blind imposition will only impede its profitability (*Peterson, 1999*). As a rule the CRM strategy is expected to vary from one business to another and indeed for one segment to another (*Peppers & Rogers, 1996*). For example, the business development force of a cellular provider with a target to raise revenue from the 'singles' segment, may want to earn revenue from its services designed specifically for the single segment, reduce customer churn by ensuring frequent upgrades and reduce costs by promoting self-care in most transactions. Such strategy may not be suited to the small traders as a segment.

For CRM strategy to be effective, several sets of data are required. For instance, a cellular service provider requires such key performance indicators (KPIs) as the number of profitable customers, the number of unprofitable customers who have churned in the last quarter and the projected Customer Lifetime Value (CLV) of the most valuable segments. These are in addition to the total number of subscribers usually available with a firm. The data warehouse performs a pivotal role in this regard (*Barquin & Edelstein, 1997; Berry & Linoff, 1999*). A typical data warehouse will yield a repository of customer information, revenue, behavior and cost data. It will help the CRM marketers access information by the analysis applications and broadcast the required KPI information throughout the organization. All this is to ensure that the business is focused on customer segments, which, over time, are likely to turn into ideal segments and support the marketing campaigns by supplying specific information for specific campaigns. This customer-led data warehousing approach for CRM has direct implications (*Lan, 1998; Berry & Linoff, 1999; Stone, Merlin and Neil Woodcock, 1989*).

The CRM Myths

Any new management and marketing philosophy receives its own share of confusion, misunderstanding and myths. CRM is no exception. Almost everyone in the Indian corporate sector who has heard of CRM, sounds excited of its presence and power (Agrawal, 2001). Confederation of Indian Industries (CII), the apex body of Indian corporate is doing its own bit through organizing well-attended and star-studded conferences in New Delhi as well as in all regions. Unfortunately, the ones who are at best 'jumping jacks' outnumber executives who truly comprehend the theme of CRM and its essence.

The excitement is reaching disproportionate levels. Although a formal survey of the CRM practitioners is underway, as a quick count, eleven companies out of the eighteen with which there was an interaction this year, reported their preoccupation with launching CRM or its variation in their firms. There is a sudden splurge of articles on CRM and eCRM in almost all types of journals and magazines including the magazine sections of newspapers. General interest magazines like India Today and Swagat profile CRM in business. While the interest in the CRM is encouraging, lack of clarity and the severe 'cognitive challenge' may inhibit the growth of CRM and systematic implementation. The misunderstanding and myths eventually contribute to the failure or disappointments with CRM.

Towards More Effective CRM Implementation

Clearly, there is a need to ensure that CRM is not only understood properly (Buttle, 1996; Baron, 1997) but is also implemented strategically (Brown & PriceWaterhouseCoopers, 1999, Curry 2000). Only CRM can contribute to a dramatic but enduring corporate renaissance. A CRM practitioner needs to do a series of things right at the right time. The following eight guidelines-by no means exhaustive, help the process of effective CRM implementation in a firm:

Move from Myths to Reality

As outlined earlier, a large section of the corporate sector appear 'cognitively challenged' when it comes to CRM. Most executives either are unaware or appear overwhelmed by the surreal powers of the CRM. The truth is that CRM is neither powerful software nor a panacea for all corporate ailments (Agrawal, 2001; Boar, 1995). The need is to take a proper perspective and avoid unreasonable expectations. Every CRM practitioner needs to pay heed to them while launching CRM in firm.

Match Your CRM Needs with Customer Needs

CRM is not right for every company. Thus it is advisable for the corporate sector to begin by clearly defining the business issues and needs, and then determine whether CRM can and should be a part of the solution. CRM strategies that are clearly linked to business objectives have a much greater likelihood of success. Similarly, CRM applications are just a component of a CRM strategy, but they are not the whole solution (Brown & PriceWaterhouse Coopers, 1999):

Leading the CRM efforts with technology solutions is akin to 'putting a cart before the horse' (Economist Intelligence Unit, 1998).

Finally, the CRM initiatives are intended to drive better relationships with customers (Cross & Smith, 1996). Relationships that are most important to a company are the ones that provide the greatest profit potential. To implement CRM strategy and technology, it is critical that the practicing firms understand value, needs, requirements and behavioural patterns of the customers (Major, 1992). This understanding juxtaposed with business needs, helps build systems and processes based on customer requirements and to better returns. The key to effective relationship management is crafting a comprehensive customer view (Eckerson, 1997).

CRM & Customer Retention

In order to leverage relationships, the CRM practicing companies must define and zero in on the right customers only (Major, 1992). CRM data warehousing and mining must be integrated to the goal of right customer identification and their sharp profiling (Boar, 1995). Many CRM efforts fail because the sales revenue data is stored separately from customer support and client history data (Barquin & Edelstein, 1997). What is required is to devise a database that pulls information from every department-from sales to customer support, and creates a unified report (Berry & Linoff, 1999). Any business that is serious about CRM, ought to seek out software systems that integrate data and draw up comparative charts that help drive sales and right customer retention decisions.

Take for instance the selling of a CT Scan or MRI - the two most expensive health diagnostic tools, to a hospital. The hospital buying a MRI spends over ten million rupees for it. Prima facie, to a brand marketer of MRI, any customer is a big customer and therefore retention worthy customer. Consequently, strong efforts follow to court and continue the relationship with this "big spender". However, what if the buying hospital overwhelms the MRI seller, ties up its customer support lines with constant complaints and demands too many special features in the ordered MRI? What if this customer desires special shipping options, buy back, etc., etc.? As we calculate the cost of these interaction patterns, the MRI marketer may find the buying hospital in reference to be less retention worthy or wrong customer as the cost of serving the big customer in the long run is not adequately covered by the margin on the one-time buyer of the MRI. The chosen CRM strategy must identify, isolate such cases & focus on right customers.

Involve the Right Customers in CRM Design and Implementation

As stated earlier, all CRM practitioners need to define their customer relationship goals and then identify the CRM policy, procedures, and cultural changes to support those goals (Curry, 2000). It helps if the firms involved their customers in the process (Gordon, 1998). "Customers are becoming an integral part of an organization's design process," This is not to suggest that the CRM firm should sit tight and do nothing until the customers react. Instead, the submission here is that the firms should identify the key customers that have a vested interest in the welfare of the CRM firms and have them validate the CRM 'interaction approaches'. The CRM practicing companies also need to realize that it is critical to provide seamless management of interactions (McKenna, 1993; Gordon, 1998). As communication channels multiply, customers will expect the organizations that they do business with, to provide accurate and consistent support and services across each of these channels (McKenna,1993, Payne,1997)

Keep Introducing CRM Enhancements Regularly

The CRM technologies introduced in an organization must remain vibrant and scalable (Curry, 2000). It should support the firms in better tracking and managing customer interactions (Peppers & Rogers 1996). Rules for prioritization, escalation and routing of complex issues can be automated within the system to reduce the time of resolution. Quick resolutions help the service agents with trouble-shooting issues and serve as the foundation for self-service offerings (Sterne, 2000).

Providing self-service capabilities to customers frees the support organization from answering basic questions and allows them to focus time on resolving more complex issues (Sterne, 2000). Additional CRM enhancements are also evolving. Provisions of self-service, natural language processing and speech recognition technologies enhance processing of questions, e-mails, and phone calls with little or no interaction from live agents. Vendors are also embedding e-learning technologies into CRM products. Users can learn how to use the new systems and enhancements more quickly. Ultimately, it's the companies who use their customer data in conjunction with interaction management applications, and their CRM front end, that will handle customers more efficiently. As one CRM expert averred, "the big bang approach of doing everything all at once is a recipe for disaster. Instead, when constructing your long-term strategy, develop a phased plan. The ability to adapt to ever-changing customer needs and deliver value-added functionality will be a key component to a successful CRM strategy (Sterne, 2000).

Constantly Measure the Return on CRM

The old adage "You can't manage what you can't measure" remains true in CRM too. A part of the reason why CRM has failed to prove its worth to many is its perceived inability to demonstrate measurable benefits (Stone & Woodcock, 1989). No organization needs to be satisfied with the assumed or intuitive CRM benefits (Jayadev & Srinivas, 2001). The corporate need to ensure that their planned CRM strategies and expenditures are clearly linked to measurable business impacts (Chowdhary, 2001).

Measuring return on CRM has additional gains too. The computed ROI can be leveraged to secure further support and momentum for CRM efforts (Economist Intelligence Unit, 1998). Similarly, return on CRM stimulates personal actions.

Having stressed that ROI is an important issue for most executives while deploying CRM, the calculation is far from easy (Peterson, 1999). It depends on the way two key word 'return and investment' are defined. A typical set of ROI measures could include installation to the number of users to the number of customer touch-points to the bundling of e-CRM services a firm wants to implement and finally mass-customization. It is an admixture of hard and soft measures (Chowdhary, 2001). In a way it lies in the eyes of the beholder.

Make CRM An Enterprise Mission

CRM efforts within an organization are often championed by one functional area (probably marketing or information technology department). As a result, CRM strategies are pursued in a vacuum (Gordon, 1998). This approach fails to consider that almost all business processes involve more than one functional area within the company. The greater the level of integration among all functional areas, the better experience the firm has to serve its customers (Preiss, and Goldman, 1996). CRM initiative must follow the rule and transform into an enterprise-wide mission (Swift, 2001), instead of languishing as a crusade of a lone department (Agrawal, 2001).

Further, the support of all employees is vital here. Even the best CRM strategies and applications stand little chance of succeeding without the employee buy-in (Preiss, and Goldman, 1996). Leveraging employee input on CRM strategy development and application selection on the front-end will lead to greater buy-in post implementation (Musgrave & Michael, 1996). The efforts to ensure employee alignment should also include skill development, awards/incentives, tools to gather and address feedback, and ongoing communication strategies.

Conclusion

The initial days when everything went in the name of CRM are over. The corporates will soon tighten their conceptualization of CRM, demand tangible financial and non-financial return on investment in CRM and, seek to have the output of the CRM audited and validated such that befits the organization and fulfills expectations of the customers. The guiding philosophy that all firms especially those with high customer turnover, must get a CRM project going somehow, will get tempered with a new wisdom. There is no doubting the fact that customer information is the lifeblood of any business and hence, CRM initiatives. However, CRM needs a better implementation if it were to contribute to the corporate renaissance.

Like any other new function, CRM too has its own drawbacks and challenges. Any organization that seeks to implement CRM may from now onwards want to focus on value creation and on a continuous stream of profits. They will give up their myopic fix that CRM is the responsibility of marketing or worse IT Dept. They must not mistake CRM as bribe or reward or a tool of forced relationships. The firms will realize that in order for CRM to contribute to corporate renaissance, the CRM responsibility must rise to the level of a CEO. CRM will be more strategy driven, and thus be able to concentrate on what customer expects from the relationship. CRM technology will return to the role of an assisting tool. The 'final take' for the CEOs will be that CRM is and can be a vehicle for cultural change and integration in the organization. In short, a true CRM encourages a relationship view of the world that goes beyond customers, includes multi-members and facilitates corporate renaissance.

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Introduction

Marketing management focuses on satisfying customer requirements by identifying needs and wants, and developing products and services to meet them. Marketing management is a science and art of choosing target market and getting, growing and keeping customers by creating, delivering and communicating customer superior value A marketer is someone seeking one or more prospects who might engage in an exchange of values. A prospect is someone whom the marketer identifies as potentially willing and able to engage in an exchange of value. When one partly is more actively seeking and exchange than the other party, we call the first partly a marketer and second partly a prospect. The concept of exchange and relationship lead to the concept of market. A market is a set of all actual and potential buyers of product or services. In other words, market is a situation where sellers and actual and perspective buyers exist.

Meeting needs profitably of consumers and organization is called as marketing. The concept of exchange and relationship lead to the concept of market. A market is a set of all actual and potential buyers of product or services. Marketing is a function and set of processes for creating, communicating and delivering a value to customer and managing customer relationship in the way that benefits organization as well as consumer.

Objective of the study

The present study is undertaken primarily to understand the Marketing and Marketing Management. The board objective, describe the necessity of the study.

- To define the impact of Marketing Management.
- To find facilities of Marketing Management in Business Development.
- To describe to scope of Marketing Management.
- To define types of Marketing.
- To discuss the concept of Core Marketing.

Research Methodology

This research is based on secondary data. The scope of the present study is restricted to analyses the types and core concept of Management. The secondary data has been collected from internet and books.

Core Concepts of Marketing

1. Need: - A human need is a state of felt deprivation of some basic satisfaction. e.g. people require food, clothing, shelter, safety, belonging & esteems. There are different types of needs such as Stated needs, Real needs, Unstated needs, Delight needs and Secret needs.

2. Wants:- Wants are the forms taken by human needs has they are shape by culture & individual personality people have almost unlimited wants but unlimited resources. People wants to choose product that provide the most value & satisfaction for their money. Example: - a human being needs food but wants the burger, French rice, & soft drink.

3. Demand:- Given with they wants & resources. People demand product with benefits that adapt to the most value of a satisfaction There are different types of demands such as Negative Demand, Nonexistent Demand, Latent Demand, Declining Demand, Irregular Demand, Full Demand,Overfull Demand, Unwholesome Demand.

4. Value: Value is a central marketing concept. It reflects the sum of perceived tangible and intangible benefits and costs to customers. It is the relation between cost and benefit. It is the relation between what we give and what we get. Value increases with quality and services and decreases with price.

5. Satisfaction: Satisfaction reflects a person’s judgments of a product’s perceived performance in relationship to expectations. If performance falls short of expectations, person is dissatisfied and disappointed. If it matches expectations, the customer is satisfied. If it exceeds them, the customer is delighted.

6. Segmenting: Dividing the market by grouping the customers with similar tastes and preferences into one group is called segmentation.

7. Targeting: It can be defined as a concentrating resources and efforts on particular market segment and segments. Eg: Mercedes for high end people.

8. Positioning: It deals with creating a distinct image in the minds of the customer.

Types of Markets

Following are the different types of market

Consumer Markets: When an individual buys product for personal consumption or for gifting to another individual for his personal consumption is called as Consumer market. Eg: Cosmetics, shoes etc.

Business Markets: When buyer buys the product for a resell or to manufacture a product for a sale. It is called as Business market. Eg: Furniture, PC etc.

Global Market: When companies market the product across the countries, across the continent by altering the product as per the requirement of that specific market is known as Global market. The decision is made in the face of different requirements for buying, negotiating, owing; different culture, language and legal and political system and currencies that might fluctuate in value.

Non-profit and Governmental Markets: Companies sell their goods to non-profit organizations such as churches, universities, charitable institutions and government organization need to price carefully, because these buyers will have limited purchasing power. Government purchasing calls for bids and buyers often favors for lowest bid in the absence of extenuating factors.

B-B Market – Business to Business Market

B-C Market – Business to Consumer Market

C-C Market – Consumer to Consumer Market

Structure of Marketing Management

Marketing management employs various tools from economics and competitive strategy to analyze the industry context in which the firm operates. These include Porter's five forces, analysis of strategic groups of competitors, value chain analysis and others. Depending on the industry, the regulatory context may also be important to examine in detail. In competitor analysis, marketers build detailed profiles of each competitor in the market, focusing especially on their relative competitive strengths and weaknesses using SWOT analysis. Marketing managers will examine each competitor's cost structure, sources of profits, resources and competencies, competitive positioning and product differentiation, degree of vertical integration, historical responses to industry developments, and other factors.

Different Types of Concepts

1. Production Concept - the idea that the buyers will favour products that are widely available and highly affordable. Management should focus on improving production and distribution efficiency -useful in two situations: when demand>supply, and when the product's cost is too high so the company can use improved efficiency to bring it down. It can cause marketing myopia Businesses can lose sight of the real objective of building customer relationships by satisfying customers' needs.

2. Product Concept – the idea that buyers will favour products that offer the most in quality, performance, and innovative features. Marketing strategy should focus on making continuous product improvements.

3. Selling Concept – the idea that the market will not buy enough of the firm's products unless it undertakes a large-scale selling effort. It is typically used with unsought goods, such as insurance and blood donations -used when a firm faces overcapacity. Marketing focuses on selling what they make rather than what the market wants. It focus on creating sales transactions rather than building long-term customer relationships.

Conclusion

Marketing management is a business discipline which is focused on the practical application of marketing techniques and the management of a firm's marketing resources and activities. Rapidly emerging forces of globalization have led firms to market beyond the borders of their home countries, making international marketing highly significant and an integral part of a firm's marketing strategy. Marketing management often finds it necessary to invest in research to collect the data required to perform accurate marketing analysis. As such, they often conduct market research to obtain this information. Marketers employ a variety of techniques to conduct market research. Marketing managers may also design and oversee various environmental scanning and competitive intelligence processes to help identify trends and inform the company's marketing analysis.

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The Study Of Changing Management Practices And Marketing Strategies Of Life Insurance Corporation Of India Subject To Investors' Preferences

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Introduction:-

Life Insurance Corporation of India (LIC) is a life insurance company fully owned by the Government of India. LIC offers individual plans, pension plans, special plans, unit plans, and group schemes. The company offers child plans, and health insurance plans. It also offers LIC credit cards through its subsidiary LIC Cards Services Limited. LIC has zonal offices in Mumbai, Kolkata, Chennai, Hyderabad, Delhi, Kanpur, Bhopal and Patna. It offers insurance products in India through authorized banks and service providers. LIC operates through its associates in Fiji, United Kingdom, Mauritius, Bahrain, Singapore, Sri Lanka, and Nepal. The company is headquartered in Mumbai, India.

The Indian life insurance industry has its own origin and history, since its inception. It has passed through many obstacles, hindrances to attain the present status. The income earning capacity of an individual citizen of a nation, the eagerness and awareness of the general public are the two key determinants of the growth of any insurance industry. For that they should provide wider and mass-employment opportunities and sound educational system. Moreover, the general public must be inculcated with more knowledge, awareness and importance about life insurance, and these steps help to boost the growth of insurance industries. In the Indian context, the insurance habit among the general public during the independence decade was quite rare and in the following decades, it slowly increased. There was a remarkable improvement in the Indian insurance industry soon after the acceptance and adaptation of Liberalization, Privatization, and Globalization (LPG) in the year 1991. After 1991 the Indian life insurance industry has geared up in all respects, as well as it is being forced to face a lot of healthy competition from many national as well as international private insurance players. The fall in the savings rate and increased competition in the primary market and particularly the aggressive mobilization by the Mutual Fund posed serious challenges to LIC.

Important & Significance:-

Success and overall growth potential of the insurance business depend on the efforts being made by the insurance companies in selling insurance products and services to the policyholders. Selling insurance products is a smart strategy and the real challenge is to retain and service the customer in the vibrant multiplayer competitive industry. Agents serve as the kingpin for insurance companies seeking to provide traditional and innovative products, and focal points for customers seeking to procure insurance coverage and long term saving. There are seven factors influencing the perception of agents towards their organization. Agents perceive *Staff co-ordination* as the most important factor followed by other factors, viz., *Customer target, Competitive advantage predicates, Material hallmarks, Promising products & process, Service enhancement, and Exclusive attention.* Hence, the agency system and its agents are vital factors to a company's performance and its long-term survival in the face of increased competition. Firms that want their salespeople to engage in customer oriented selling must be certain that their salespeople are committed to the organization and must be intrinsically motivated. If agents are satisfied with their organization in every respect (efficiency of supporting staff and their behaviour, training/refresher courses, working environment etc.) then they can provide efficient services to the policyholders and which would increase the brand image of the Corporation. So, LIC should consider its agency system as the most crucial distribution channel and should make efforts to provide them efficient facilities to improve its business performance to a great extent.

Objectives of the study :-

1. To study the status and position of Indian life insurance industry in the pre-LPG era
2. To study the Progress of Indian life insurance industry in the post LPG era
3. To study the objectives of LIC
4. To study the thrust areas that LIC has adopted are
5. To study the key changes brought about after liberalization is
6. To study 3 Extended P's of service industry marketing strategies adopted by the Indian life insurers.
7. To study the risk management best practices adopted by LIC.

Sources of Data Collection:-

The study is done on the secondary data and information is collected through books, journal and internet websites.

Data Analysis:-

Status and position of Indian life insurance industry in the pre-LPG era:-

The process of insurance has been evolved to safeguard the interests of people from uncertainty by providing certainty of payment at a given contingency. Life insurance in its modern form came to India from England in 1818 with the formation of Oriental Life Insurance Company (OLIC) in Calcutta mainly by Europeans to help widows of their kin. Later, due to persuasion by one of its directors (Shri Babu Muttyal Seal), Indians were also covered by the company. By 1868, 285 companies were doing business of insurance in India. Earlier these companies were governed by Indian Company Act 1866. By 1870, 174 companies ceased to exist, when British parliament enacted Insurance Act 1870. These companies were however, insuring European lives. Those Indians who were offered insurance cover were treated as sub-standard lives and were accepted with an extra premium of 15% to 20%.

First Indian company.

Pioneering efforts of reformers and social workers like Raja Ram Mohan Ray, Dwarakanath Tagore, Ramatam Lahiri, Rustomji Cowasji and other led to entry of Indians in insurance business. First Indian insurance company under the name "Bombay Life Insurance Society" started its operation in 1870, covering Indian lives at standard rates. Later "Oriental Government Security Life Insurance Company", was established in 1874, with Sir Phirozshah Mehta as one of its founder directors and later emerged as a leading Indian insurance company named "Bombay Life Assurance Society" started its operations in 1870.

Pre-independence scenario.

With the patriotic fervor of Non-Corporation Movement (1919) and Civil Disobedience Movement (1929), number of Indian companies entered the insurance arena. Eminent figures in political area like Mahatma Gandhi and Pandit Nehru openly encouraged Indians to enter the fray. In 1914 there were only 44 companies, by 1940 this number grew to 195. Business in force during this period grew from Rs. 22.44 crores to Rs. 304.03 crores (1,628,381 polices). Life fund steadily grew from Rs. 6.36 crores to Rs. 62.41 crores. In 1938, the insurance business was heavily regulated by enactment of insurance Act 1938 (based on draft bill presented by Sir N.N. Sarcar in Legislative Assembly in January 1937). From here onwards the growth of life insurance was quite steady except for a setback in 1947-1948 due to aftermath of partition of Indian. In 1948, there were 209 insurances, with 712.76 crores business in force under 30,16.000 policies. The life fund by then grew to 150.39 crores.

Nationalization of life insurance (1956).

Despite the mushroom growth of many insurance companies per capita insurance in Indian was merely Rs. 8.00 in 1944 (against Rs. 2,000 in US and Rs. 600 in UK), besides some companies were indulging in malpractices, and a number of companies went into liquidation. Big industry houses were controlling the insurance and banking business resulting in inter looking of funds between banks and insurance companies. This shook the faith of insuring public in insurance companies as custodians of their savings and security. The nation under the leadership of Pandit Jawarberlal Nehru was moving towards socialistic pattern of society with the main aim to spread life insurance to rural areas and to channelize huge funds accumulated by life insurance companies to nation building activities. The Government of India nationalized the life insurance industry in January 1956 by merging about 250 life insurance companies and forming Life Insurance Corporation of India (LIC), which started functioning as from 01.09.1956.

Post nationalization trend.

After completing the arduous task of integration of about 250 life insurance companies, the LIC of India gave an exemplary performance in achieving various objectives of nationalization.

Setting-up of IRDA, and the entry of private insurance companies.

In spite of phenomenal progress of LIC of India, especially in the 80s, the government and public at large were not quite satisfied with it. By signing GATT accord, the government of India committed to opening of insurance sector to private sector – to local and global operators. A committee under the chairmanship of late R.N. Malhotra (ex-governor of KBI) was appointed by the government to look into all the aspects of insurance industry in India. The committee too, opined that in its about 40 years of existence, LIC had been able to insure only 22 percentage of the insurable population. A moot reason may be the lack of competition. Further, the monopoly has resulted in lack of sensitivity to the policy holders. There is a greater scope for product innovation and service improvement. The committee recommended a number of measures to revamp LIC of India, GIC of India and its four subsidiaries. It also recommended to allow outside insurance companies to operate in India with an Indian partner. After a great deal of discussion, finally the Lok Sabha has enacted the Insurance Regulatory and Development Authority Act, 1999. In terms of the act, the Insurance Regulatory and Development Authority is being set-up to regulate and develop the insurance industry by opening it up to the private sector. Foreign insurance companies can enter into the insurance sector in India only with an Indian partner, as a joint-venture, with a capital contribution up to a maximum of 26 percentage of the capital in the joint-venture.

Progress of Indian life insurance industry in the post LPG era.

In the post LPG period, the Life Insurance Industry of India witnessed a marvelous growth and touched its historical height. So many factors have collectively contributed to this remarkable achievement. In this tenure, the LIC of India introduced many phenomenal business strategies by way of offering colorful schemes and products. The reason for these kinds of extraordinary effect was only because of the stiff competition emerging by the private insurance players. The private insurance companies are offering plenty of new attractive schemes and products to get meaningful share in the insurance market. However, the LIC of India has the powerful network and it is launching attractive advertisements in the regular interval to create great awareness among the general public. Simultaneously, the private life insurance companies are also taking much pain to cover-up the major populations (inventors) under their boundary, for that they are sponsoring series of effective awareness programs through many attractive advertisements. This healthy competition is motivating the general public to go in favor of more investments in insurance.

Following are the objectives of LIC:

1. Spreading life insurance much more widely, particularly into the rural areas, into the socially and economically backward classes, with a view to reach all insurable persons in the country and provide them with adequate financial coverage against death at a reasonable cost; 2. Maximizing mobilization of people's savings by making insurance linked savings adequately attractive; 3. Investing funds to the best advantage of the investors as well as the community as a whole, keeping in view national priorities and obligations of attractive return; and 4. Meeting the various life insurance needs of the community that would arise in the changing social and economic environment through its Family Schemes and Group Insurance Schemes.

The above objectives are framed by the LIC at the time of its establishment and it is trying to materialize its objectives over the subsequent years. However, the Indian Life Insurance Industry is facing several challenges and issues throughout its career and establishes meaningful strategies to overcome these challenges and issues from time to time. Since the date of its establishment it has earmarked a steady growth; but many factors affected its abnormal growth and progress

People Strategy(1stp):

People who are the agents should earn the role of a trustee advisor and help the customer in identifying various risks that he/ she exposed to at different times and the various covers available for the same. Moreover, effective use of CRM tools would help to identify cross selling opportunities needs at various stages of the customers' life cycle, and also study customer behaviour to identify possible moral hazards.

Physical Evidence Staregies (2ndP):

Under this strategy, insurers are trying to strengthen themselves in the form of their offices, funds; their ability to meet out the claims, reducing grievances, settling the claims and lowering the policy lapsation or in gist we can say they are trying their best to prove them -selves best in form of accomplishments as a good service provider. The strategies under this hear are as under:

Conclusion :-

The present state of Life Insurance Sector in India is awe-inspiring as far as the awareness of customers is concerned. The customers of today are well aware about the different alternatives that support them the best to fulfill their desires. LIC of India has well managed to take the spirit of competition in a positive way which has helped the corporation to grow further with high strength of mind in contribution to the growth of the country. There are few more areas where contribution of the corporation in the life insurance sector needs to be updated. The present research study thus reveals those important areas where more contribution on the part of LIC of India is required. The one is to increase in the number of offices both in urban and rural areas which will help the corporation to increase their business and reach among the customers. LIC of India should also open more Life- Plus offices and authorized collection centers to make its objectives achieved in true way to spread the life insurance business in every nook and corner of the country. LIC of India should concentrate on agents' training to make them updated as per market requirements and professionalism to tackle the queries of customers and doubts raised in their mind by other life insurance competitors of the market. LIC of India must increase their agent's base to retain its dominating market share because agents are the backbone of the corporation. The increased number will not only help the corporation to facet their visible presence in the market but also in turn help in increasing their business volume too.

It can be said that LIC did a commendable job by bringing about changes in its marketing strategy. LIC tried its level best to cope with the marketing initiatives of the private insurance companies. The market share which the private companies were taking away from LIC was an eye opener for LIC who was once enjoying monopoly position in the market. The private companies were taking away the market share by bringing new and innovative products to suit the needs of customers, building a strong distribution network, strong advertisement and finding new markets for their products. LIC which was moving on traditional pattern revitalized itself to regain its market share and image and came up with new marketing and sales promotion techniques. These changes proved to be fruitful for LIC.

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Study Of Organizational Change In LIC : An Empirical Study

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Introduction:

Due to the growth of technology, modern organizational change is largely motivated by exterior innovations rather than internal moves. When these developments occur, the organizations that adapt quickest create a competitive advantage for themselves, while the companies that refuse to change get left behind. This can result in drastic profit and/or market share losses.

Organizational change directly affects all departments from the entry level employee to senior management. The entire company must learn how to handle changes to the organization.

Predictions produce at best a blurred picture of what might be, not a blueprint of future events or circumstances. The effective and progressive management of change can assistin shaping a future which may better serve the enterprise's survival prospects. Change will not disappear or dissipate. Technology, civilizations and creative thought will maintain their ever accelerating drive onwards. Managers, and the enterprises they serve, be they public or private, service or manufacturing, will continue to be judged upon their ability to effectively and efficiently manage change. Unfortunately for the managers of the early twenty-first century, their ability to handle complex change situations will be judged over ever decreasing time scales. The pace of change has increased dramatically.

Concept of Change:

Change may be regarded as one of the few constants of recorded history.Often society's "winners", both historical and contemporary, can becharacterized by the common ability to effectively manager and exploit changesituations. Individuals, societies, nations and enterprises who have at some timebeen at the forefront of commercial and/or technological expansion have

achieved domination, or at least 'competitive' advantage, by being innovative inthought and/or action. They have been both enterprising and entrepreneurial. Itis said that management and change are synonymous; it is impossible toundertake a journey, for in many respects that is what change is, without firstaddressing the purpose of the trip, the route you wish to travel and with whom.Managing change is about handling the complexities of travel. It is aboutevaluating, planning and implementing operational, tactical and strategic'journeys' – about always ensuring that the journey is worthwhile and thedestination is relevant.

Why organization change:

Managers in this sense see events taking place that, to them, signal the need for change. They also perceive the internal context of change as it relates to structure, culture, systems of power and control, which gives them further clues about whether it is worth trying to introduce change. But the factors which causes change have casual effect in an organization. The change may occur in response to the:

1. Changes in technology used.
2. Changes in customer expectations or tastes.
3. Changes as a result of competition.
4. Changes as a result of government legislation.
5. Changes as a result of alterations in the economy at home orabroad.
6. Changes in communication media.
7. Changes in society's value systems.
8. Changes in the supply chain.
9. Changes in the distribution chain.

Organizational Change Process

Any organizational change whether introduced through a new structuraldesign or new technology or new training programme, basically attempts tomake employees change their behavior. It is, because unless the behavioralpattern of the members change the change will have a little impact on the effectiveness of the organization. Behavioral changes are not expected to bebrought about overnight. These are the most difficult and marathon exercises. A commonly accepted model for bringing about changes in people wassuggested by KURT LEWIN in terms of three phase process- **unfreezing,changing and refreezing**. Lewin's model provides a useful vehicle forunderstanding change process in the organization.

1. Unfreezing: Unfreezing means that old ideas and attitudes are set aside togive place to new ideas. It refers to making people aware that the presentbehaviour is inappropriate, irrelevant, inadequate and hence unsuitable forchanging demands of the present situation. The management creates anatmosphere wherein the employees haveself motivation for innovative discourses and practices in the organization.

According to **Edgar Schien**the following elements are necessary duringthis unfreezing phase:

1. The physical removal of the individuals, being changed, from theiraccustomed routines, sources of information and social relationships. The undermining and destruction of social support.

2. Demeaning and humiliating experience to help individuals, beingchanged, to see their old attitudes or behaviour as unworthy and think tobe motivated to change.

3. The consistent linking of reward with willingness to change and of punishment with unwillingness to change.Unfreezing, thus, involves discarding the orthodox and conventionalmethods and introducing dynamic behavior, most appropriate to the situation.

By discarding the primitive way of doing things. People are made to accept newalternatives.

2. Changing: Unlike unfreezing changing is not uprooting of the old ideas,rather the old ideas are gradually replaced by the new ideas and practices. It isthe phase where new learning occurs. In order to change, it is not enough tosense that the current behaviour is inadequate. The necessary requirement isthat various alternatives of behaviour must be made available in order to fill thevacuum created by unfreezing phase. During the phase of changing, individuals learn to behave in new ways, the individuals are provided with alternatives out of which to choose the best one. KELMAN explains this changing phase interms of the following elements.

1. **Compliance:** Compliance occurs when individuals are forced to changeeither by rewards or by punishment.
2. **Internalization:** Internalization occurs when individuals are forced to encounter a situation and calls for new behavior.
3. **Identification:** Identification occurs when individuals recognize one among various models provided in the environment that is most suitable to their personality.

3. Refreezing: Refreezing is on the job practice. The old ideas are totallydiscarded and new ideas are fully accepted. It is reinforced attitudes, skills andknowledge. During this phase individuals internalize the new beliefs, feelingsand behaviour learned in the changing phase. He practices and experimentswith the new method of behaviour and sees that it effectively blends with hisother behavioral attitudes. It is very important for the manager concerned to visualize that the new behavior is not extinguished soon.

Objective of study: The study is to examine the impact of factors and attitude of employees toward change which make the successful organization change. To analyze the relationships among variables that influence how an organization is managed. To analyze the kind of factors which contribute towards the effective organization change.

Research Design: The research paper is an empirical study based on survey method by adopting random sampling. The study was based mainly on primary data. The primary data was collected from the employees of life insurance corporation branches of north tri-city. The secondary data have been collected from books, records and journals. 200 employees i.e. 100 from each class i.e. Class II and Class III of union territory, tri-city of Life Insurance Corporation were selected for this study. Standard Questionnaire of Robert has been incorporated to collect information.It enabled assessment in six areas of formal and informal activity: purposes, structure, relationships, rewards, leadership, and helpful mechanisms.In order to study the attitude of employees, various statistical tools such as chi-square test, analysis of one- way variance and percentage analysis have been employed.

Change Scenario in Life Insurance Corporation

1. Change in office infrastructure:

2. More focus on Training :Special Training by MDC (Management Development Centre Mumbai): Management Development Centre, Mumbai provide training in slots of 10 Managers especially for Top level Class Ii.e. Divisional Manager**,** Sr. Divisional Manager, Divisional Manager, Marketing Manager, Branch Manager, Administrative Assistant Officer, Administrative Officer. Training is imparted to them Once in a year which specially focus on managing relationship, managing high level stress with lower level, how to cope up their own stress and stress of the Class III. From last 5 years LIC introduce this practice of providing the stress coping training in Mumbai.

3. Advance Personal Excellence Training program : Advance personal Excellence training program specially for employees with more than 55 years age ,this training program special contributes to the stress coping strategies , is of 3 to 4 days and group of training program consist of 40 members in one training Group . such training of stress coping strategy is specially mentored by faculty of IIM (A) Ahmedabad and of some faculty of Business Schools. The concept and content covered in the training program is framed by Hero Mind Mine outsource company. Concept considered in this program is that in this age employee feel more stressed , feel loneliness and no need to learn or excel in the profession .

For Class III Assistants , Record Clerk Life Insurance Corporation of India initiates a program named HRD i.e.HUMAN RESOURCE DEVELOPMENT.

4. Seminars by divisional training centers: In the seminar scheduled thrice in a year, the faculty of divisional training centre, Sr.DivisionalManager,Manager or Branch Manager who took training on recent updates from NIA (national Insurance Academy) are the ones who use the mode of seminar to exchange the information, ideas orawareness of how to use values in improving professionalism.

5. Change in work pattern from paper work to paperless work(Electronic focus): Technology is the major external force which calls for change. The adoption of new technology such as computers, telecommunication systems have profound impact on the organizations that adopt them.

6. Government Regulation: One of the most commonly witnessed unplanned organizational changes results from government regulation. With the opening up of the economy and various laws passed by the government about de-licensing, full or partial convertibility of thecurrency, etc., the ways in which the organizations need to operate change swiftly. These activities greatly influence the way business is to be conducted in organizations. With more foreign players in the competitive market, Indian industries have to find ways and mechanisms to safely and profitably run their business.

7. Social Changes: Social and cultural environment also suggest some changes that the organizations have to adjust for. There are a lot of social changes due to spread of education, knowledge and a lot of government efforts.

Findings:

1. There is a significant relationship in the attitude of employees(class II and class III) belonging to different gender and Insurance company with the organizational change in tri-city. No significant relationship is found in the attitude of respondent of both classes belonging to different age groups, educational status,class levels, and number of service with organizational change of life insurance corporation of India of Tri-city, North. **2.** It is found that 16.9 % of Class Iemployees understand the purpose of an organization whereas 16.1% Class III employees clearly find organization clearly stated goal, 64.8% , 46% (Class I and Class III) employees respectively stated that enough input in deciding my work-unit goals. The purpose average is 2.92 of 100 employees which is below 4 , which indicates lack of problem in an organization and the factors of organization change run effectively .It indicates the optimum functioning of an organization. **3.** 95.1%, 67.4 (Class I and Class III) employees respectively stated that the manner in which work tasks are divided is a logical one , 34.8%, 47 % (Class I and Class III) employees respectively agrees the division of labor in this organization actually helps it to reach its goals , 95.7 %, 67% (Class I and Class III) employees respectively agrees the division of labor of this organization is flexible, 95.1%, 78% (Class I and Class III) employees respectively agrees the division of labor in this organization is intended to help it reach its goals. Whereas, the average of factors of structure of organization related to organization change is 2.802 which is below 4 indicates lack of a problem in an organization and the factors of organization change run effectively .It indicates the optimum functioning of an organization. **4.** In overall Leadership factors employees response indicates that 4.2is above 4 would be a problem with organizational functioning. The employees are old traditional ,having strong labor union and not interested in any change It focus on the effective steps to be taken to run an organization effectively.39.6 %,47% (Class I and Class III) employees respectively responds that their immediate supervisor is supportive to their efforts, 30.6%,42.1% (Class I and Class III) employees respectively responded that the leadership norms of this organization help their and organizational progress. 35.1%,47% (Class I and Class III) employees respectively agrees that their organization's leadership efforts result in the organization's fulfillment of its purposes.28.7 % , 34.9 (Class I and Class III) employees respectivelyunderstand that their boss's efforts to influence them and the other members of the work unit. **5.** Relationship another factor of organizational change includes various sub factors which lead to organizational change. Overall 3.575Score indicate the lack of a problem , it is find out that all factors contribute to change and relationship in employee and employer leads to strong organization, which make organization adaptable to change.95% ,56%(Class I and Class III) employees respectively confirmed that there is no evidence of unresolved conflict in this organization ,34.8%, 45% (Class I and Class III) employees respectively stated thatestablished the relationships exists which is needed to do job properly. **6.** Reward another factor indicates that overall 5.69 average score of 100 respondentsthat there would be problem with organizational functioning,the organization need to focus few steps to improve organization functioning and enable to have overall change. 99 % ,70% (Class I and Class III) employees respectively agree that all tasks to be accomplished are associated with incentives so that the employees agree to pursue for organizational change and reduce the resistance towards change,32.7% ,34%(Class I and Class III) respondents agree that the pay scale and benefits of this organization treat each employee equitably ,27.2% , 57.2% (Class I and Class III) employees respectively respond that the opportunity for promotion exists in this organization, 52.7% , 42,4%(Class I and Class III) employees respectively agree that salary receive as commensurate with the job that performed. **7.** Helpful mechanism factors score of employees is 4.533 which indicates that there would be a problem with organizational functioning, the organization should focus on the some recent mechanism to be opted for organization change. 91%, 71% (Class I and Class III) employees respectively this organization's planning and control efforts are helpful to its growth and development.74%, 60% (Class I and Class III) employees respectively respond that other work units are helpful to my work unit whenever assistance is requested98% ,53% (Class I and Class III) employees respectively This organization has adequate mechanisms for binding itself together. 89%, 45% (Class I and Class III) employees respectively respond that they have the information that employee need to do a good job. 10%, 34%(Class I and Class III) employees respectively respond that their immediate supervisor has ideas that are helpful to me and mywork group. **8.** Overall score of Attitude towards change another factor is 4.5002 would indicate a problem with organizational functioning due to which organization find it difficult to adapt change either due to non-availability of factors or resist to change .65 %, 43% (Class I and Class III) employees respectively respond that the organization has the ability to change.32.1%,47% (Class I and Class III) employees respectively response indicate that occasionally they like to change things about job ,87 % , 78% (Class I and Class III) employees respectively agrees that organization favors change , 25.6% , 67% (Class I and Class III) employees respectively response that insurance corporation organization introduces enough new policies and procedures, 25.4%, 45.4% (Class I and Class III) employees respectively respond that organization is not resistant to change.

9. ANOVA Test

Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	5491.115	34	161.5034	193.8752	0	1.432904
Within Groups	2886.44	3465	0.833027			
Total	8377.555	3499				

The ANOVA test on the responses of the respondents indicates that the total source of variation is 8377.555. The explained variation is 54.91.115, which is about 66 percent. It reveals that the data collected is able to explain the 66 percent of research problem. The unexplained variation is 2886.44, which is around 34 percent of the total variation. It reveals that the data collected is not able to explain 34 percent part of the problem. Based on these values, the value of coefficient of determinant (R2) is 0.66. If the value of R2 is 0.5 and more, then the model is considered as good model. The F-ratio of 193.87, this value is more than critical value of F. It means that the null hypothesis is rejected. Based on it, we can conclude that the factors have positive impact on organization and this change in process is effective in organization.

Suggestive Measures

1. Education and Communication: When there is lack of information or inaccurate information and analyses. Once persuaded, people will often help with the implementation of the change. Can be time consuming if lots of people are involved.

2. Participation and involvement: Where the initiators do not have all the information they need to design the change, and where others have considerable power to resist. People who participate will be committed to implementing change, and nay relevant information they have will be integrated into the change plan. Can be time consuming it participants design in inappropriate change.

3. Facilitation and Support: When people are resisting because of adjustment problems. No other approach works as well with adjustment problems. Can be time consuming expensive and still fail.

4. Negotiation and Agreement: When someone or some group will clearly lose out in a change and when that group has considerable power to resist. Sometimes it's a relatively easy way to avoid major resistance. Can be too expensive in many cases if it alerts others of negotiatefor competence.

5. Manipulation and Co-optation: Where other tactics will not work or are too expensive. It can be a relatively quick and inexpensive solution to resistance problems. Can lead to future problems if people feel manipulated.

6. Explicit and implicit coercion: Where speed is essential, and the changes initiations possess considerable power. It is speedy and can overcome any kind of resistance. Can be risky if it leaves people made at the initiator.

Conclusion

It is concluded thatorganizational change is the vital essence of an organization. Not only for the existence of an organization but for the growth and to meet the competitive edge organizational change act as a life blood. It is found that the factors recommended can actually contribute towards the success of organization growth and change. If such changes and steps followed by other public organization act as major contributor in employee growth and overall organization growth.

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Innovation Management And Process Of Innovation Management

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Introduction

The process of translating an idea or invention into a good or service that creates value or for which customers will pay. To be called an innovation, an idea must be replicable at an economical cost and must satisfy a specific need. Innovation involves deliberate application of information, imagination and initiative in deriving greater or different values from resources, and includes all processes by which new ideas are generated and converted into useful products. In business, innovation often results when ideas are applied by the company in order to further satisfy the needs and expectations of the customers. In a social context, innovation helps create new methods for alliance creation, joint venturing, flexible work hours, and creation of buyers' purchasing power. Innovations are divided into two broad categories such as evolutionary innovations that are brought about by many incremental advances in technology or processes and Revolutionary innovations which are often disruptive and new.

Innovation is synonymous with risk-taking and organizations that create revolutionary products or technologies take on the greatest risk because they create new markets. Imitators take less risk because they will start with an innovator's product and take a more effective approach. Examples are IBM with its PC against Apple Computer, Compaq with its cheaper PC's against IBM, and Dell with its still-cheaper clones against Compaq.

Innovation is the development of new customer's value through solutions that meet new needs, inarticulate needs, or old customer and market needs in value adding new ways. This is accomplished through more effective products, processes, services, technologies, or ideas that are readily available to markets, governments, and society. Innovation differs from invention in that innovation refers to the use of a better and, as a result, novel idea or method, whereas invention refers more directly to the creation of the idea or method itself. Innovation differs from improvement in that innovation refers to the notion of doing something different rather than doing the same thing better.

Objective Of Study

1. To know the concept of innovation.
2. To study the difference between Invention and Innovation.
3. To study the concept of Innovation management.
4. To study 8 phases of an innovation management process.

Research Methodology:-

The paper is based on the conceptual study. Research methodology is a way to systematically achieving objective of the study. The information and data is collected through various journals, books, periodicals and also using various websites.

Sources Of Innovation:-

There are several sources of innovation. According to Peter F. Drucker the general sources of innovations are different changes in industry structure, in market structure, in local and global demographics, in human perception, mood and meaning, in the amount of already available scientific knowledge, etc. also internet research, developing of people skills, language development, cultural background, skype, Facebook, etc. In the simplest linear model of innovation the traditionally recognized source is manufacturer innovation. This is where an agent (person or business) innovates in order to sell the innovation. Another source of innovation, only now becoming widely recognized, is end-user innovation. This is where an agent (person or company) develops an innovation for their own (personal or in-house) use because existing products do not meet their needs. In addition, the famous robotics engineer Joseph F. Engelberger asserts that innovations require only three things:

(1) A recognized need, (2) Competent people with relevant technology (3) Financial support.

The Kline Chain-linked model of innovation places emphasis on potential market needs as drivers of the innovation process, and describes the complex and often iterative feedback loops between marketing, design, manufacturing, and R&D. Innovation by businesses is achieved in many ways, with much attention now given to formal research and development (R&D) for "breakthrough innovations." R&D help spur on patents and other scientific innovations that lead to productive growth in such areas as industry, medicine, engineering, and government. Yet, innovations can be developed by less formal on-the-job modifications of practice, through exchange and combination of professional experience and by many other routes. The more radical and revolutionary innovations tend to emerge from R&D, while more incremental innovations may emerge from practice – but there are many exceptions to each of these trends.

An important innovation factor includes customers buying products or using services. As a result, firms may incorporate users in focus groups, work closely with so called lead users or users might adapt their products themselves. The lead user method focuses on idea generation based on leading users to develop breakthrough innovations. In most of the times user innovators have some personal record motivating them. Sometimes user-innovators may become entrepreneurs, selling their product, they may choose to trade their innovation in exchange for other innovations, or they may be adopted by their suppliers. Nowadays, they may also choose to freely reveal their innovations, using methods like open source. In such networks of innovation the users or communities of users can further develop technologies and reinvent their social meaning.

Invention Vs. Innovation: The Difference

In its purest sense, "invention" can be defined as the creation of a product or introduction of a process for the first time. Invention is the "creation of a product or introduction of a process for the first time." Thomas Edison was an inventor. "Innovation," on the other hand, occurs if someone improves on or makes a significant contribution to an existing product, process or service. Consider the microprocessor. Someone invented the microprocessor. But by itself, the microprocessor was nothing more than another piece on the circuit board. It's what was done with that piece - the hundreds of thousands of products, processes and services that evolved from the invention of the microprocessor - that required innovation. Innovation happens when someone "improves on or makes a significant contribution" to something that has already been invented. Steve Jobs was an innovator.

Invention and Innovation

There is a subtle difference between these two words, but it is an important one for Business Studies students.

(a) Invention if the formulation of new ideas for products or processes (b) Innovation is all about the practical application of new inventions into marketable products or services

Innovation Management:-

Innovation management is the discipline of managing processes in innovation. It can be used to develop both product and organizational innovation. Without proper processes, it is not possible for R&D to be efficient; innovation management includes a set of tools that allow managers and engineers to cooperate with a common understanding of goals and processes. The focus of innovation management is to allow the organization to respond to an external or internal opportunity, and use its creative efforts to introduce new ideas, processes or products. Importantly, innovation management is not relegated to R&D; it involves workers at every level in contributing creatively to a company's development, manufacturing, and marketing. By utilizing appropriate innovation management tools, management can trigger and deploy the creative juices of the whole work force towards the continuous development of a company. The process can be viewed as an evolutionary integration of organization, technology and market by iterating series of activities: search, select, implement and capture.

Measuring Innovation Management

The measure of innovation at the organizational level relates to individuals, team-level assessments, and private companies from the smallest to the largest. Measure of innovation for organizations can be conducted using surveys to establish internal benchmarking. There is now an emerging body of work around the Management Innovation Index as an effective analytic that uses regression analysis enabling the measurement of organizational innovation that focuses on the four organizational pillars of innovation - culture and environment, strategy, innovation practice and the personal traits, beliefs and attitudes of managers to creativity and innovation. In addition, the Management Innovation Index maps the flow of creative inputs through the organization's operating system that produces the organization's innovation, i.e. the creative outputs.

The 8 Phases Of An Innovation Management Process:-

The innovation management process has become an important part of the operations of many businesses, as the recognition of the importance of initiatives towards innovation has become much more common. That said, while many companies do attempt to have a solid approach to creativity and innovation, too few actually focus on it as a single function. Instead, they seem to hold many separate activities in isolation, such as brainstorming sessions, pilot projects and campaigns, and vague communication with the market, and simply keep fingers crossed that it will come together in the end. While this has worked for some in the past, it is far from the ideal way of performing this important task. Instead, the best way to accomplish this is to have a set innovation activities which integrates the activity into the regular cycle of our business. The list below shows the phases in inno+vation management process, which will help our organization to put it all together as one process.

1. Setting the goals for the process : Innovation always begins with a goal in mind. It is many times based on finding the solution to a problem. Once we have this goal, it should be discussed among everyone in the problem solving team. It may involve others such as our customers (who can provide suggestions and feedback based on their own experience with our product or service) or other stakeholders in the business. When we establish the team for this process, make sure that we have someone representing all the parts of the process from start to the end.

2. Cooperation : The innovation team should work together so that instead of trying to come up with an idea separately, they can bounce ideas off one another and create a collaborative solution. This can include the use of online tools, attendance of events such as trade shows that can be inspiring and informative, or simply consist of brainstorming sessions. We might consider having a trained business coach facilitating the discussions. There are many online tools available for real-time document sharing that might help teams that are geographically separated to still have intense cooperation.

3. Combination of ideas : Once the ideas are in, choose the best ones and then consider whether they can be combined to create an even greater idea. Often, strong ideas will be complementary to one another and will join well to create an even better result. As we know, the whole result can be bigger than its individual parts. And for this combination to work well, we need representatives of all parties involved in the process, because they for sure have ideas that people from other departments could not come up with. Business coaches may be useful here for making sure that all the angles of innovative aspect are covered.

4. Evaluation of innovation : This is an important and yet all too frequently overlooked aspect of the innovation management process. When the best ideas have been combined, fine-tuned, and polished, it is time to subject them to evaluation based on peer reviews. This helps to ensure that any ideas that have a promising veneer but that are poorly thought out will be identified before resources, funding and time have been poured into them. It also helps to select the ideas with the greatest potential from among several that appear equally capable of being successful. It is cheap to change our innovation at this stage compared to later stages. Each step we take forward will cost us more…

5. Testing the ideas : Once the ideas with the greatest potential have been identified, they can be tested so that they can be better developed. One of the most common means of testing a product or service idea is to create a prototype or test group. This allows the team, as well as customers and investors to have a better look at how the product will function and what changes can be made to it so that it will be even further improved. Make sure that the product or service not only raises interest but is able to generate orders also. If people say that they are interested in it, then ask them if they give us the order right away.

6. Execution of innovation implementation : The ideas that survive the testing process can be further developed and altered until they are ready to be executed as a part of the business offerings. The execution of implementation is a step that is unique to our business and, unless our new product causes us to have to drastically alters the typical way that our go-to-market strategy functions, then this part of the innovation management process should be relatively commonplace in our organization. It should be easier for us to move from testing to execution if we were able to generate orders already in testing phase.

7. Assessment of innovation life-cycle : After the execution of an idea, its implementation needs to be carefully monitored and assessed in terms of a number of milestones that should be set. Should a milestone not be reached, then changes will need to be made or the idea will need to be shut down. Remember to keep always customer in our mind also in execution phase and design our measuring systems so that they measure added value for the customer.

8. The next step in the process is simply to start again, always finding new needs, inspiration, solutions and taking them through the cycle until they can be offered by our company. Here are some reflective questions that we can use to evaluate innovation management process in our organization:

- Do we have a clearly defined innovation management process? (a) If yes, is it effective? (b) If no, how do we see that clearly defined innovation management process could help our organization to achieve goals better?
- Are all the people in our organization working together towards great innovations or do they do things on their own?
- Do we always properly evaluate and test our innovations before taking them to market?
- Do we measure execution of providing services or products from customer's perspective?

Conclusion

Innovation is everywhere. Innovation is discussed in scientific and technical literature, in social sciences such as sociology, management and economics, and in the humanities and arts. Innovation is also a central idea in the popular imaginary, in the media and in public policy. Innovation is the conversion of knowledge and ideas into new or improved products, processes, or services to gain a competitive advantage. To facilitate the innovation process effectively, organizations need a solution that allows them to manage innovation in an objective, strategic, and scalable manner. Because organizations often lack the resources necessary to act on all contributed ideas, they must manage innovation through a systematic process that facilitates the selection of optimal ideas which have the highest strategic value.

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Redefining Management Practice In Recruitment And Selection

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Introduction: The Man-Force Planning Process

Workforce planning is a systematic process to identify the human resource requirement to meet the organization's goals. It also helps in developing the strategies to meet these requirements. It is a continuous process. It ensures that organization has the right number of people in the right jobs at the right time. It allows for a more effective and efficient use of workers. Many organizations have developed models for workforce planning. It typically includes five steps:

1. Identify the firm's business strategy.
2. Articulate the firm's talent philosophy and strategic staffing decisions.
3. Conduct a workforce analysis.
4. Develop and implement action plans.
5. Monitor, evaluate and revise the forecasts and action plans

Recruitment, Selection and Training

Recruitment is the process of identifying that the organisation needs to employ someone up to the point at which application forms for the post have arrived at the organisation. Selection then consists of the processes involved in choosing from applicants a suitable candidate to fill a post. Training consists of a range of processes involved in making sure that job holders have the right skills, knowledge and attitudes required to help the organisation to achieve its objectives. Recruiting individuals to fill particular posts within a business can be done either internally by recruitment within the firm, or externally by recruiting people from outside.

Advantages of Internal Recruitment

1. Considerable savings can be made. Individuals with inside knowledge of how a business operates will need shorter periods of training and time for 'fitting in'.
2. The organisation is unlikely to be greatly 'disrupted' by someone who is used to working with others in the organisation.
3. Internal promotion acts as an incentive to all staff to work harder within the organisation.
4. From the firm's point of view, the strengths and weaknesses of an insider will have been assessed. There is always a risk attached to employing an outsider who may only be a success 'on paper'.

Disadvantages of Internal Recruitment

1. You will have to replace the person who has been promoted
2. An insider may be less likely to make the essential criticisms required to get the company working more effectively
3. Promotion of one person in a company may upset someone else.

Recruitment

Recruitment is important because other HR policies are heavily dependent on the effectiveness of this process. One of HR challenges is identifying, motivating and retaining talent. Recruitment is attracting the right skills to do the job.

The Recruitment Process

Psychologists are concern with several issues in the recruitment process:-

Sources of Recruiting

1. The traditional recruiting sources are: Online search service, Newspapers advertisements, Employment agencies and search services, Placement services of professional associations, Job fairs, Outplacement agencies, On college campus

From many years organizations have used referrals from current employees. The employees are given bonus for successful referrals. It is an easy, reliable and a low cost approach. A study at a call centre found that applicants referred by high performing current employees were more likely to be accepted than those referred by low performing employees.

2. The new recruiting sources:

Web based recruitment:

It provides information about available jobs as well as information about the organization. Advantages of recruiting websites for the organization:

1. Organization can provide large information in a cost effective way.
2. It gives the impression that the organization is sophisticated and up-to-date especially to young workers.
3. Companies can make job offers more rapidly Advantages of recruiting websites for job seekers: (1) Job seekers can quickly learn about the prospective employer. (2)

Application cost can be reduced by online submission of an applicant form and other materials

Recruiter Characteristics

Psychologists have found that college students choice of their first job is influenced by the characteristics of recruiter. These characteristics are smiling, nodding, maintaining eye contact, showing empathy, warmth and thoughtfulness. Some studies have found that the recruiter's characteristics influenced more than the job characteristics. The applicants judged the successful recruiter (who brought more new employees to the organization) as, more personable, friendly and helpful. The recruiter's personality was more important than recruiter's status, race or gender

On-Campus Recruiting

Less than half-corporate recruiters receive training in the interview techniques. The recruiters, who are not trained, tend to make following errors during the interview:

1) Form positive or negative impression about applicant's qualifications in the first few minutes.
2) Spend more time with applicants, they believe, are qualified and less time with applicants they reject, based on superficial judgment.
3) Do not follow the guideline for an interview and fail to discuss important issues with the applicant.
4) To find good people for their company, recruiter may present an idealized picture of their organization and the job

Difficulties faced by the on-campus recruiters:

1) Finding job candidates having realistic view of the business world.
2) Candidates forming false image of the job and the organization.
3) Due to lack of experience candidates do not know what questions should be ask to the recruiter.
4) To make a good impression, candidates may hide attitudes and characteristics they think a recruiter might not like.

External recruitment

External recruitment makes it possible to draw upon a wider range of talent, and provides the opportunity to bring new experience and ideas in to the business. Disadvantages are that it is more costly and the company may end up with someone who proves to be less effective in practice than they did on paper and in the interview situation.

There are a number of stages, which can be used to define and set out the nature of particular jobs for recruitment purposes:

Job analysis is the process of examining jobs in order to identify the key requirements of each job.

A number of important questions need to be explored: the title of the job, to whom the employee is responsible, for whom the employee is responsible, a simple description of the role and duties of the employee within the organisation.

Job analysis is used in order to:

1. Choose employees either from the ranks of your existing staff or from the recruitment of new staff.
2. Set out the training requirements of a particular job.
3. Provide information which will help in decision making about the type of equipment and materials to be employed with the job.
4. Identify and profile the experiences of employees in their work tasks (information which can be used as evidence for staff development and promotion).
5. Identify areas of risk and danger at work.
6. Help in setting rates of pay for job tasks.

Job analysis can be carried out by direct observation of employees at work, by finding out information from interviewing job holders, or by referring to documents such as training manuals. Information can be gleaned directly from the person carrying out a task and/or from their supervisory staff. Some large organisations specifically employ 'job analysts'. In most companies, however, job analysis is expected to be part of the general skills of a training or personnel officer.

Job description

A job description will set out how a particular employee will fit into the organisation. It will therefore need to set out: (a) the title of the job (b) to whom the employee is responsible (c) for whom the employee is responsible (d) a simple description of the role and duties of the employee within the organisation.

A job description could be used as a job indicator for applicants for a job. Alternatively, it could be used as a guideline for an employee and/or his or her line manager as to his or her role and responsibility within the organisation.

Job specification

A job specification goes beyond a mere description - in addition, it highlights the mental and physical attributes required of the job holder. For example, a job specification for a trainee manager's post in a retail store included the following:

Job analysis, description, and specification can provide useful information to a business in addition to serving as recruitment instruments. For example, staff appraisal is a means of monitoring staff performance and is a feature of promotion in modern companies. In some companies, for example, employees and their immediate line managers discuss personal goals and targets for the coming time period (e.g. the next six months). The appraisal will then involve a review of performance during the previous six months, and setting new targets. Job details can serve as a useful basis for establishing dialogue and targets. Job descriptions can be used as reference points for arbitrating in disputes as to 'who does what' in a business. Selection involves procedures to identify the most appropriate candidates to fill posts. An effective selection procedure will therefore take into consideration the following:(a) keeping the costs of selection down (b) making sure that the skills and qualities being sought have been identified (c) developing a process for identifying them in candidates (d) making sure that the candidates selected, will want the job, and will stay with the company.

Keeping the costs of selection down will involve such factors as holding the interviews in a location, which is accessible to the interviewing panel, and to those being interviewed. The interviewing panel must have available to them all the necessary documentations, such as application forms available to study before the interviews take place.

The skills required should have been identified through the process of job analysis, description and specification. It is important then to identify ways of testing whether candidates meet these requirements. Testing this out may involve: (a) interviewing candidates (b) asking them to get involved in simulated work scenarios (c) asking them to provide samples of previous work (d) getting them to fill in personality and intelligence tests (e) giving them real work simulations to test their abilities.

An Overview of the Selection Process

A successful selection program includes several procedures.

1. Job and Worker Analysis

The first step in selection process is to develop job analysis. Job analysis helps to find out specific skills required for the job. It also finds out the qualification of worker necessary for the job. Once these abilities are specified, the human resource manager must find methods to identify these characteristics. If the skill requirements are complex and the job is more demanding, complex selection methods will be used. (Wilk & Cappelli, 2003).

2. Recruitment Decisions

The next step is recruitment decisions. The recruitment can be done through print or online ads, employment agencies, referrals etc. The method that provides better selection ratio can be used. Selection ratio is the relationship between the number of people to be hired and the number of people available for hiring. Selection ratio affects the criteria set for basic requirements. If there is a shortage of applicants and if the jobs must be filled within a few weeks, the cut-off may be lowered and recruitment campaign needs to be expanded. Also higher wages need to be offered with more benefits and improved working conditions to attract and retain new employees

3. Selection Techniques

Various techniques to identify the suitability of the applicants are: application blanks, interviews, letters of recommendation, assessment centres, and psychological, drug and physical strength tests based on the job's requirement. Combinations of these methods are used in the hiring process.

After the employees are appointed, their performance should be monitored to check the success of the selection process used. It is called predictive validity. For example, after 6 months of the appointment of a new employee, correlation between supervisor's rating of the new employee's performance and earlier selection rating should be calculated. If a good employee, who received high rating by supervisors, had scored high on selection rating and the poor employee, who received low rating by supervisors, scored just near the cut off score on selection rating, it means that the selection techniques were able to distinguish between potentially good and poor workers. The human resource department can use these criteria to select the best people

Conclusion

Our research paper deals with recruitment and selection, because other HR policies are heavily dependent on the effectiveness of this process. One of HR challenge is identifying, motivating and retaining talent. Recruitment is attracting the right skills to do the job. Yet, the public service, just like the private sector, has to compete in the "search for talent" in the face of demographic change. The public sector has to compete with everyone else for attracting talent. The "search for talent" is not to compete for a mass of numerous talents but rather to target for key individuals, focusing then on continued development of people who are going to be the leaders of the future. The society is asking people to do more efforts to prevail over enormous organizational and economical challenges. Unfortunately today fewer people have the combination of right skills that institutions need.

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Evolution Of Human Resource Development In Business

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Abstract

This paper deals with the development of the business and the role HRD in different business in 20th and 21st centuries. The International trade policies – whether shaped by the WTO or IMF and any such institutions like SAARC etc., forced to accept the imposed ideology of the globalized trading methodology. All such globalization events led the society to exploit the human being as the important factor of the trade.

The international language – English – played a key role here and by providing the attractive images to the skilled section to involve in the trade. They tried to absorb the skill of the Asian countries and the semi-skilled and unskilled section was fully neglected and it was merged with the Factors of production. Even a civil engineer, mechanical engineer or any other such type of personalities are concerned to the factory level and the latest fashion HRD tried to hold the key position.

When the HRD system is supported and by the investors and also by the state administration, then a new era entered to the education field also in the name of Business Administration.

Key Words : B-School, HRD in film Industry, HRD in Education, HRD in banking, HRD Evolution

Inroductuion

The business word itself was considered as "anxiety" till 18th century. Afterwards the meaning was changed to "Appointment task". Again it has changed its meaning to "Steps of being risk" during 18th century. Now, in modern era the word "Business" is familiar one.

When the trading activities were in barter system, and limited to the extent of the local markets, it was in the traditional form. Even though there was international trade among a few countries, which was also managed by a particular community of society. The numbers of the persons were in a few. It was considered as the Family Business and they tried to hide the secrecy of the business. But the new venture of Vasco-da-gama and Columbus curing 15th century had boosted the trade activities and the Industrial Revolution during 18th century accelerated the same developments.

Indian System; Our business world was Traditional. Since Vedic period the particular set of the society Vaishyas were hold the entire business. The trade was considered as the Dharma and the trade secrecy was kept in top most secret level. Even Chanakya a famous Economist and first International Corporate Guru had clearly mentioned the duties and responsibilities of the traders and the relation between the King (State) and the business. Even we were ruled by Muslim kings the same tradition was followed in another shape. But when the British people entered the nation the situation has started change in all levels.

Till 1947, Indian Business was under the supremacy of the British Rule. Till today our modern business policies are constructing on the same plinth of British period. Merely 50-60 years are not sufficient to shape our own policies connecting to the business transaction.

Indian view; A famous philosopher and poet Sarvajna tells that, "Agriculture is the prime to all traders; Industry is fully based on this agriculture; If the agriculture is neglected it leads to the declining of the nation". India is also known as "The Land of Agriculture". The geographical condition and the most important factor the huge human resource are the key factors to the Indian Economy.

The below mentioned chart gives the development of the business and the role HRD in 20th and 21st centuries. The International trade policies – whether shaped by the WTO or IMF and any such institutions like SAARC etc., forced to accept the imposed ideology of the globalized trading methodology. The globalization process was successfully imposed in all Asian Countries and that policies were shaped in IMF and WTU. All such events led the society to exploit the human being as the important factor of the trade.

Human Power And Human Resource Development:

System of Trade	Role of technician	HRD
Barter system Traditional	No participation Minimum	-------------------------- Family Secrecy
Industrial Revolution	Important	New persons entered
Globalization and Afterwards Electrical Age	Limited to Cost of Productivity only Most Important Fully Controlled by the techies	A few skilled persons hold the position Facing the dilemma

The international language – English – played a key role here and by providing the attractive images to the skilled section to involve in the trade. They tried to absorb the skill of the Asian countries and the semi-skilled and unskilled section was fully neglected and it was merged with the Factors of production. Even a civil engineer, mechanical engineer or any other such type of personalities are concerned to the factory level and the latest fashion HRD tried to hold the key position.

The importance of the technicians during the industrial revolutions was the main reason to think about the HRD. Even though the investors were ready to do the traditional business the changed atmosphere gave the importance to the technicians only. During 1950-60 and also till 1980 the CEO was always an Engineer. The clash between the technicians and the office bearers including the investors who always wish to have the chief role were introduced a new media to the business sector and called it as HRD.

When the HRD system is supported and by the investors and also by the state administration, then a new era entered to the education field also in the name of Business Administration. The law supported the new system as a control point and again the technicians are cornered to the factory level only. Even they are merged with the Cost of Production! Salary or the remuneration to the technical personalities changed the status to the manufacturing expenditure only.

But the technical personalities tried to break this and tried to hold the same chief position of the business by introducing the electronic devices like computer, mobile and internet. Again the HRD group suffered something and forced to leave the place to the technocrats. Bill Gate and others are the role model to the younger generation even though he is not fully qualified as per the parameters of HRD section! The concept of the HRD was to co-ordinate between the production and the supply. Unfortunately the HRD never thought this and tried to hold the position and the supreme power. This conflict effects the business and pushed the working force to migrate from one to another and the ultimate result was the recession.

HRD should be in the Evolution level but not in Revolution Model;

"Appoint sales persons ; Never depend upon the HRD". This is the modern slogan in the corporate level. It shows the position of the HRD in these days. During the period of globalization the HRD sector controlled the situation and tried to keep the same in future also. But the latest technical inventions and new electronic tools from a common person like Bill Gates and others hit the position of HRD.

Before independence days there were no separate schools / colleges to teach the business and the management. But the modern education system forced the situation to learn the business activities like theory and shape the business policies. Hence there was a Indian business system, the implementation has not reached the goal. Only foreign companies in India applied this system. The key position is fixed for the HRD and that was allotted to the skilled to the skilled persons of IIM and other foreign trained employees only.

Till today the leading IIMs, IITs of India are sponsored from the western countries and the faculty members and the syllabus of that instructions are formed by that nation only. They have the network among themselves. So campus interviews are quite common and the guarantee of the hi-fy job with 5-6 figure salary will be fixed to the student of the above institutions.

It creates the illustrations in other's mind and forced them to pay more and get the certificate from any institutions which are engaged themselves to sell the Secrecy of the HRD. After 1991 it has reached the windfall profit to the management institutions. After 2001 due to the declining of the international market, again this HRD suffered lot. At the same time technology team is gained this situation.

Totally HRD has lost it's identity during this period and till trying to recover from that depression. Through the nation language labs are busy; HRD training institutions are advertising themselves like film advertisements.

WE have lost our identity during this all unhealthy and unplanned developments. But Japan, Russia and Germany even China successfully won the situation with their own language and kept the leading position.

Now we have started to re-think about the new methodology of the HRD in new trend. Now they realised to have the co-ordination among the technicians and also with the semi – skilled labourers.

HRD climate in public sector banks

The business organizations are attaching great importance to human resource because human resources are the biggest source of competitive advantage and have the capability of converting all the other resources into product or service. The effective performance of this human resources depends on the type of HRD climate that prevails in the organization, if it is good than the employees performance will high but if it is average or poor then the performance will be low. The study of HRD climate is very important for all the organazation and the banking sector is not an exception, especially in the present situation financial recession. The present study is an attempt to find out the type of HRD climate that is prevailing in public sector banks.

HRD in Education; Recent initiatives by the government

Apporving Foreign Educational Institutions to operate in India, Corporate Houses are permitted to start AICTE apporved Business Schools and Ajim Premji University in Karnataka started functioning with the same desire.

To keep pace with economic changes evolving at present, the Management Education System too in India is undergoing a complete transformation. The complexities and uncertainties emerging in the corporate world necessitate a responsive management education, which on one hand can recognize changing marketing forces due to Globalization and on the others should incorporate the concerns for the society and the environment. The face of dynamism in which the corporate world has to function is so fast that it poses a constant challenge to Management Education Institutions to keep syllabi updating as ongoing process. Obviously, the need of the hour is that, all the Business schools not only diversified their programmers to match the current needs but also make rapid strides in terms of qualitative improvements in the area of social and economic entrepreneurship, corporate social responsibility and then disseminate knowledge and delivery system in this area accordingly.

HRD and Tradition Crashes; Famous Films "Guru" and "Outsourced"

Any Indian, whatever the level knowledge in his interested fields, he thinks traditionally. While modern HRD opposes this. The system of learning HRD subject in any institutions is fully based on the foreign concept.

Always HRD thinks about the control over the position. Tradition teaches about the evolution. This concept is perfectly screened in Guru and Outsourced films.

Guru is the best example for HRD with the holding on everything including technology. The Big Boss is always right is the main policy. While Film "Outsourced" analysis the situation and the conflict between this HRD and the techno field.

One American company started it's branch at Mumbai. The team leader-a famous HRD personality was a practical person. All employees from India were highly qualified, competitive and ready to work hard. But the ultimate result was below the target. Then the company started the analyzing and appointed another person as a co-ordinator between the employees and the team leader. The new person came to India and observed the situation, finally he permitted all employees to bring the photos of their respective deities and keep in front of their desk and offer prayer while start the day to day work, and also the employees are permitted to bring their relatives or friends to show their STATUS in the foreign company and the dignity of the earning in Dollars. The result was miracle. The within six months the profit graph started climbing up rapidly.

Conclusion

Steganography is now at forefront of modern world especially to modern HRD. Steganography (writing that others cannot see) is a word from Greek. The modern Hardware and Software language is best example for this.

Justice Rama Joisa a notable personalities in philosophy also, analyzing the modern HRD position and the education policy as on today in India. He mentioned that, "Instead of giving Vitamin C and Vitamin D to the We have to insert the following in modern HRD

Build Trust and Credibility Create a culture of open and honestCommunication

Respect for the individual Uphold the LawSet matrics report resultsaccurately Do the right thing at right at right time Set tune at topAvoid conflicts of interestBe Loyal

The assets are in place; Our customers are supportive; We have a lot of work to do. If we are ready to consider "Customer first; Customer second and the customer third policy instead of HRD now we have to think about the HRD and work as the co-ordinator between the technology layer and the Finance dept to achieve the target of the corporate. At the same time it is the responsibility of the HRD to keep the customer friendly projects.

Human being has to learn from his errors. Instead of magnifying the errors, it is the time to rethink about the alternations and the changes in attitudes about the real developments to maintain the Welfare for the better future. Corporate Ethics is an important fact to solve the dilemma.

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A Study Of Human Resource Planning, Recruitment & Selection Procedure Of Buldana Urban Co-operative Credit Society Ltd.

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Itroduction

Today, in every organization personnel planning as an activity is necessary. It is an important part of an organization. Human Resource Planning is a vital ingredient for the success of the organization in the long run. There are certain ways that are to be followed by every organization which ensures that it has right number and kind of people, at the right place and right time, so that organization can achieve its planned objective.

For every organization it is important to have a right person on the right job. Recruitment and Selection plays a vital role in this situation. Shortage of skills and the use of new technology are putting considerable pressure on how employers go about Recruiting and Selecting staff. It is recommended to carry out a strategic analysis of Recruitment and Selection procedure.

Recruitment and Selection are simultaneous process and are incomplete without each other. They are important components of the organisation and are different from each other. Since all the aspects needs practical example and explanation, this project includes HR planning, Recruitment, Selection and Placement process of Buldana Urban Co-operative Credit Society Ltd, Buldana.

In simple words human resource planning is a process of striking balance between human resources required and acquired in an organisation. The human resource planning is a process by which an organisation determines how it should acquire its desired manpower to achieve the organisational goals.

Geisler opines," Human Resource Planning is the process including forecasting, developing and controlling by which a firm ensures that it has the right number of people and the right kind of people at the right places at the right time doing work for which they are economically most useful."

Quantity: How many employees do we need?

Quality: Which skills, knowledge and abilities do we need? Space: Where do we need the employees?

Time: When do we need the employees? How long do we need them?

Objectives Of The Study

1. To know how Human Resource Planning is carried out in Buldana Urban Co-operative Credit Society Ltd.
2. To understand practices prevailing in the company related to Human Resource Planning.
3. To find out how the Recruitment programs are carried out in the organization.
4. To study the procedure and planning of organization regarding Human Resource Planning.

HR Planning in Buldana Urban Co-operative Credit Society Ltd -

HR Planning begins with analyzing the overall plans and objectives of organization.

Analyzing organizational goals and objectives-

In Buldana Urban Co-operative Credit Society the HR department analyzes the human resource requirements for each activity in each section and department. The human resource planning is done with the objective to have rapid growth and expansion in all areas of Asia.

Analyzing objectives of Human Resource Planning -

As the main purpose of Human Resource Department is to plan the human resource and match the employee's abilities to enterprise requirements, with an emphasis on future instead of present arrangements.

Forecasting Demand for Human Resources -

Demand for human resources varies from time to time depending upon both external and internal sources. The HR managers needs to take into consideration the external and internal factors such as competition, economic and political climate, technological changes, government policy, growth and expansion, management philosophy, employee resignation, retirement, termination, death etc.

Forecasting Supply of Human Resources -

Having forecast the human resource demand, the next task for the HR Department is to forecast the human resource supply. Forecast of human resource supply gives the quantity and quality of people available from internal and external sources of manpower supply.

Monitoring and Control -

The final step of HR Planning in Buldana Urban Co-operative Credit Society Ltd. is monitoring and control. Once the action plans are implemented by the HR Department, they need to be reviewed, regulated and monitored against the set standards. The monitoring and control is done to reveal deficiencies and to control the action plans in right direction.

Recruitment in Buldana Urban Co-operative Credit Society Ltd -

The Recruitment in Buldana Urban is done using the following process:-

Recruitment Planning -

In Buldana Urban Co-operative Credit Society Recruitment for new employees is done twice a year. The planning process of the organization involves drafting a comprehensive job specification for the vacant position, the skills, experience and qualification etc. Organization accepts fresher as well as experienced candidates. The minimum criterion for the clerks and peons is as follows:

1) For senior clerk and clerk minimum qualification is at least Graduation from any faculty.
2) For Godam clerk minimum qualification is at least HSC.
3) For peon minimum qualification is at least SSC.

Strategy Development:-

Once it is known how many with what qualifications of candidates are required, the organization develops a suitable strategy for the recruitment of candidates. The organization prefers direct recruitment method for the candidates. The organization plans for both the source. Organization has established its branches in all over Maharashtra and so whenever organization seems need of new recruitment in any district, then it gives first preference to the unemployed people of that district in which recruitment is done. In this stage organization develops a sequence of activities to be followed in recruiting candidates.

Searching - For the recruitment of new employees the organization takes help of both internal as well as external sources of recruitment. The internal and external sources which organization uses are;

Internal	**External**
1) Transfer	1) Local & Regional Exchange Employment
2) Promotion	2) News papers
	3) Websites

Internal Sources

1) Transfer:- When requirement for particular employee for a particular post is found vacant and suitable candidate is available within the organization, at that time transfer is the best tool. Transfers are mandatory for all the employees of the organization as per RBI norms after every three years for employees working at branch level.

2) Promotion:- Promotion is an effective means using job posting and personnel records. Promotions have many advantages like it builds morals, encourage competent individuals who are ambitious, are cheaper than going outside to recruit. When vacancies for middle & upper management are found in organization then promotion can be used as an internal source for recruitment as it is less expensive.

External Sources

Advertisement: - Newspapers and websites are the two external sources which are mostly used in Buldana Urban Co-operative Society Ltd. The sources are explained as follows.

1) Newspapers:- At first for external recruitment the organization publish its advertisement in the newspapers. The newspapers in which the organization advertises for recruitment are

- Deshonati
- Lokmat
- Sakal

2) Websites:-Websites is the popular method of seeking recruits, as many recruiters prefer websites because of their wide reach.

- www.buldanaurban.co.in
- www.niyukti.com

3) Local and Regional Employment Exchange:- Organization registers for its requirements of the candidates in the employment exchanges according to the vacancies in the organization.

The employment office then sends the lists of the candidates who best fit to the requirements of the organization.

Screening:- From this point organization starts its selection process as screening is the starting point of every selection process. The received applications from various sources are screened in this stage against the qualification, knowledge, skills, abilities, area of interest and experience mentioned in the job specification. The candidates who do not qualify are straightway eliminated from the selection process.

Evaluation and Control: - The evaluation and control stage is the last stage of recruitment process. In this stage the Board of Directors along with HR Department plans for the various expenses which are needed to be done at the time of recruitment. The expenses are such as administrative expenses, salary of recruiters, cost of time spent for preparing advertisements, cost incurred in recruiting unsuitable candidates.

- Taking this all above mentioned points in consideration the organization also recruits the liable employees who are under training according to the government scheme of Employee Promotion Programmed (EPP) for six months as trainee.
- During this period government provides the employees Rs 500 as scholarship and the organization and the organization gives Rs1000 as scholarship.
- For recruitment the **Indirect Method** and

Third Party Method is used. The applications are selected from the Indirect Method i.e. by publishing advertises in the newspapers as well as on various websites and also from the Third Party Method i.e. from the list collected from the employment offices. The applications are scrutinized as per the norms of the organization and the candidate is included for the further process.

Selection in Buldana Urban Co-operative Credit Society Ltd: -

Sorting of Applications:- The applications are sorted on the basis of the job requirements in the organization. The applications come to the organization from various sources such as employment exchanges, mails and written applications.

Written Examination:-The applicants who are selected from the received applications are asked to attend a 100 marks written examination which is generally held in head office of the organization.

For Marathwada region the exam is conducted in the organizations office in Jalna district. The candidates who cleared the written test are arranged as per their marks in the merit list.

Preliminary Interview:- In the preliminary interview the organization eliminate unsuitable or unqualified candidates from the selection process. In screening unqualified candidates are eliminated on the basis of information given on the application form, whereas preliminary interview rejects misfits for reasons, which did not appear in the application form.

Selection Interview:- The candidates selected in the merit list are then called for the interview at the head office of the organization. The interviews of the candidates are conducted by the internal committee of the organization consisting Chairman, Technical directors and General Manager.

Medical Examination: - The purpose of the medical examination is to have proper matching of job requirement with the physical ability of the candidate. It is also used to detect whether the candidate is carrying any infectious diseases and also to test that whether he is physically fit for the job or not.

Reference Checks: - The candidate when selected by the organization is asked to submit all his documents. The documents of the candidate related to the educational qualification are then investigated by the organization.

Job Offer: - After investigating all the details of the employees the employees are given the job offer and are requested to submit their joining report to the organization. In this way the final selection of the candidate is done and the candidate is sent for the probation period. The candidates who are successful to complete the probation are then finally selected as the employee of the organization.

Conclusion:-

Human Resource Planning enables organization to utilize their human resources properly and adequately to get optimum output. Also HR Planning contributes to the productivity as well as efficiency of the employee. It facilitates overall organizational growth. As Buldana Urban Co-operative Credit Society is Asia's biggest society it has proved itself with its best practices for each department as well as Human Resource Department too. Human Resource Planning is the essential process to get optimum output from human resources i.e. employees in the organization. Forecasting of HR Demand and HR Supply are the important part of Human Resource Planning Process. Recruitment, Selection and Placement procedure is well carried in the organization. Recruitment process is time and money consuming. Use of external source for recruitment is limited.

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A Study On Effectiveness Of Budgetory Control In The Organization

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Introduction

Budget and budgetary control, both at management and operational level looks at the future and lays down what has to be achieved. Control checks whether or not the plans are realized, and puts into effect corrective measures where deviation or shortfall is occurring. This implies that if budgets are effectively designed and implemented, an organization can achieve massive results

This study examines how budget and budgetary control can impact on the performance of the organization. Budgetary control system plays a leading role in establishing an efficient management control system for creating a sustainable competitive advantage. This paper presents an analysis of the utilization of budgetary funds in the organisation. It also discusses the issues, benefits and challenges along with the types, Preparation of Budget and the relations between budgetary control and responsibility centers.

Budget

- A budget is a quantitative expression of a plan of action prepared in advance of the period to which it relates.
- It is a plan expressed in terms money prepared and approved prior to the budget period which show income, expenditure and capital to be employed
- A official declaration of the financial budget means putting aside for carrying out exact activities in a given era of time.
- It helps to co-ordinate the activities of the organization.An instance would be an advertising budget or sales budget.

Characteristics of a budget

Good budget is characterized by the following:

- Contribution: involve as many people as possible in drawing up a budget.
- Fullness: embrace the whole organization.
- Principles: base it on established standards of performance.
- Flexibility: allow for changing circumstances.
- Response: constantly monitor performance.
- Analysis of costs and revenues: this can be done on the basis of product lines, departments or cost centres.

Budgetary control

- An influence method whereby definite results are compared with budgets.
- Any differences (variances) are completed the responsibility of important individuals who can moreover exercise control action or revise the original budgets.
- Methodical control of an organization's operations through establishment of standards and targets regarding income and expenditure, and a continuous monitoring and adjustment of performance against them
- A system of management control in which actual income and spending are compared with planned income and spending, so that you can see if plans are being followed and if those plans need to be changed in order to make a profit.

Responsibility Centers

Responsibility centre can be defined as any functional unit headed by a manager who is responsible for the activities of that unit.

There are four types of responsibility centres:

- ***Revenue centre's*** Organizational units in which outputs are calculated in financial terms but are not precisely compared to key costs.
- ***Expense centre's*** Units where inputs are calculated in monetary terms but outputs are not.
- ***Profit centre's*** Where performance is measured by the difference between revenues (outputs) and expenditure (inputs) Inter-departmental sales are often made using "transfer prices".
- ***Investment centre's*** Where outputs are compared with the possessions employed in producing them, i.e. Return On Investment.

Budgetary control and responsibility centres

Under traditional approaches to budgeting in the public sector, operating units often are held responsible only for the management of their direct costs—salaries and wages, materials and supplies, travel, equipment acquisition and maintenance, and so forth. It is assumed that these direct costs are the ones that the units can control. Direct costs can be narrowly or broadly defined; the more narrow the definition, the larger the aggregate amount of indirect costs.

In theory, given a long enough time, all costs are controllable by someone within an organization. For purposes of budgeting, however, *controllable costs* often are defined as those costs subject to the influence of a given manager of a given program or organizational unit during a given time period. An emergency room supervisor, for example, might exercise significant control over the assigned nursing staff, the use of supplies (and therefore, their costs), maintenance of the facility, and so forth. However, the ER supervisor may have little or no control over the cost of doctors working in the emergency room, or the utility costs that support the running of the emergency room, or the insurance premium costs allocated to this aspect of the hospital's operations.

No controllable costs include all costs that do not meet this test of "significant influence" by a given manager. Thus, costs assigned to the manager of any department may contain both controllable and no controllable elements. Although clear distinctions are often difficult to make, every effort should be made to separate these cost components for the purpose of performance evaluation.

Under responsibility centre budgeting, all pertinent costs and the revenue to support these costs are assigned to various organizational units—departments, bureaus, and programs—designated as responsibility centres. Responsibility centre budgeting seeks to assign accountability to those individuals who have the greatest potential to exercise influence, on a day-to-day basis, over the costs in question. It seeks to determine which individuals in an organization are in the best position to explain why specific outcomes have occurred as a result of allocating resources to support the activities of these units. It is the reporting responsibility of these individuals to explain the outcome regardless of the degree of their control or influence over the results. The chief of police might receive separate reports on the cost of operations of the traffic control division, the vice squad, the detective division, the forensic laboratory, and so forth, so that each unit can be held accountable for its respective area of responsibility.

Costs charged to responsibility centres should be separated between direct and indirect costs. Not all indirect costs are controllable at the responsibility centre level. Therefore, these expenses should be further broken down between those that are controllable and those that are no controllable at the responsibility centre level. A distinction is sometimes made between a service centre—assigned only the direct portion of overhead—and a cost centre—fully burdened with indirect costs.

The ability to control costs is a matter of degree. Responsibility centre budgeting placing emphasis on specific costs in relation to well-defined areas of responsibility. Units may be able to exercise considerable control over such traditional indirect costs as utilities (use of heat, light, air conditioning), facility maintenance (e.g., custodial services, upkeep of buildings and grounds), and even insurance premiums (e.g., through safety programs). However, long-term effects of such costs as depreciation, long-term lease arrangements, and the like, seldom qualify as controllable costs on the performance report of a specific manager.

To illustrate this point, consider the costs of nursing services in a hospital. The extent to which these costs are controllable at the cost or responsibility centre level will depend on the policies of top management regarding intensive care, the lead time available for planning the number of nurses in relation to patient load, the availability of short-term or part-time help, and so on. Some managers may have relatively little control over such cost-influencing factors. Clearly, an item such as depreciation on the hospital building is outside the realm of controllable costs at the responsibility centre level.

Responsibility centres have primary responsibility for the management of resources and costs (as well as the broader mission for which these resources and costs are budgeted/allocated). All of the sources of financial support (revenue or income) are attributed to the responsibility centres on some equitable and consistent basis. Costs associated with internal service units (that is, units which do not receive revenue or income from external sources) are either charged to the responsibility centres on a fee for service basis or are recovered from the responsibility centres through some form of assessment.

The Activity-Based Costing (ABC) model, which Cooper and Kaplan developed, re-configures how organizations manage costs by attaching costs to activities—the processes or procedures that cause work to be performed in an organization. Cost management and cost control can then focus on the sources of cost rather than on where the costs are incurred or reported. In this way, the total cost of all traceable activities is based on how much of each activity the product or service consumes, regardless of organizational or functional boundaries. By focusing on the root cause of a cost rather than addressing symptoms, managers can learn how to identify and eliminate waste.

Costs must be traced from the traditional cost accounting structure (which identifies what resources are being used) to the activities that describe what the organization does (which relates why the resource is being consumed—for what purpose). The cost tracing can involve actual (historical) costs or budgeted costs. Some costs can be directly associated with an activity (most labour costs, for example), whereas other costs have to be allocated (such as utilities or rent). Costs of supporting departments are initially accumulated in overhead cost pools and are then allocated to appropriate activities.

The ABC approach is likely to produce a more accurate representation of indirect costs attributable to final cost objectives than using surrogate measures, such as direct labour hours or direct material dollars, as a means for allocating costs to products. The two-stage ABC process identifies activities and focuses on the cost drivers that are the major causal factors behind cost behaviour.

Once income/revenue and costs have been fully allocated to the responsibility centres, in all likelihood, there will be some "surpluses" and some "deficits." The deficits or shortfalls between total costs and revenues/ income must be covered through some form of subvention—that is, a central allocation to ensure the continued operation of programs existing at the time the new allocation model is implemented. On the other hand, units should be permitted to retain all or a major portion of their "surpluses."

What is the source of the funds used for the subvention? One approach would be to "take funds off the top"—that is, to hold back some portion of the general funds to cover these costs. Another approach is to initiate a surcharge or "assessment" on the expenditure of the resources that have been fully allocated. The revenue collected through this levy could then be reallocated to the responsibility centres, both as subvention to provide a level playing field for those units faced with deficits and to "seed" additional activities that may have organization-wide benefits. A portion of the assessment could also be used to support internal service units.

Budget organization and administration

In organizing and administering a budget system, the following characteristics may apply:

Budget centers: Units responsible for the preparation of budgets. A budget centre may encompass several cost centre's.

Budget committee*:* This may consist of senior members of the organisation, e.g. departmental heads and executives (with the managing director as chairman). Every part of the organization should be represented on the committee, so there should be a representative from sales, production, marketing and so on. Functions of the budget committee include:

- Coordination of the preparation of budgets, including the issue of a manual
- Issuing of timetables for preparation of budgets
- Provision of information to assist budget preparations
- Comparison of actual results with budget and investigation of variances.

Budget Officer*:* Controls the budget administration The job involves:

- liaising between the budget committee and managers responsible for budget preparation
- dealing with budgetary control problems
- ensuring that deadlines are met
- educating people about budgetary control.

Budget manual: This document

- charts the organization
- details the budget procedures
- contains account codes for items of expenditure and revenue
- timetables the process
- Clearly defines the responsibility of persons involved in the budgeting system.

Budget preparation

Firstly, determine the principal budget factor. This is also known as the key budget factor or limiting budget factor and is the factor which will limit the activities of an undertaking. This limits output, e.g. sales, material or labor.

Sales budget**:** This involves a realistic sales forecast. This is prepared in units of each product and also in sales value.

Methods of sales forecasting include: (1) Sales force opinions (2) market research (3) statistical methods (correlation analysis and examination of trends) (4) mathematical models.

In using these techniques consider: (1) company's pricing policy (2) general economic and political conditions (3) changes in the population (4) competition (5) consumers' income and tastes (6) advertising and other sales promotion techniques (7) after sales service (8) credit terms offered.

Production budget: expressed in quantitative terms only and is geared to the sales budget. The production manager's duties include: (1) analysis of plant utilization (2) work-in-progress budgets.

If requirements exceed capacity he may:

- Subcontract
- plan for overtime
- introduce shift work
- hire or buy additional machinery
- The materials purchases budget's both quantitative and financial.

Raw materials and purchasing budget

(1) The materials usage budget is in quantities. (2) The materials purchases budget is both quantitative and financial. Factors influencing a) and b) include: production requirements, planning stock levels, storage space, trends of material prices.

Labour budget: is both quantitative and financial. This is influenced by:

- production requirements
- man-hours available
- grades of labour required
- wage rates (union agreements)
- the need for incentives.

Cash budget*:* a cash plan for a defined period of time. It summarises monthly receipts and payments. Hence, it highlights monthly surpluses and deficits of actual cash. Its main uses are:

- To maintain control over a firm's cash requirements, e.g. stock and debtors

- To enable a firm to take precautionary measures and arrange in advance for investment and loan facilities whenever cash surpluses or deficits arises
- To show the feasibility of management's plans in cash terms
- To illustrate the financial impact of changes in management policy, e.g. change of credit terms offered to customers.

Receipts of cash may come from one of the following

- Cash sales
- payments by debtor's
- the sale of fixed assets
- the issue of new shares
- the receipt of interest and dividends from investments.

Payments of cash may be for one or more of the following:

- purchase of stocks
- payments of wages or other expenses
- purchase of capital items
- Payment of interest, dividends or taxation.

Other budgets:

These include budgets for:

- Administration
- research and development
- selling and distribution expenses
- capital expenditures
- working capital (debtors and creditors).

Advantages of budgeting and budgetary control

There are a number of advantages to budgeting and budgetary control:

(1) Compels management to think about the future, which is probably the most important feature of a budgetary planning and control system. Forces management to look ahead, to set out detailed plans for achieving the targets for each department, operation and (ideally) each manager, to anticipate and give the organisation purpose and direction. (2) Promotes coordination and communication. (3) Clearly defines areas of responsibility. Requires managers of budget centres to be made responsible for the achievement of budget targets for the operations under their personal control. (4) Provides a basis for performance appraisal (variance analysis). A budget is basically a yardstick against which actual performance is measured and assessed. Control is provided by comparisons of actual results against budget plan. Departures from budget can then be investigated and the reasons for the differences can be divided into controllable and non-controllable factors. (5) Enables remedial action to be taken as variances emerge. (6) Motivates employees by participating in the setting of budgets. (7) Improves the allocation of scarce resources. (8) Economies management time by using the management by exception principle.

Problems in budgeting

Whilst budgets may be an indispensable part of any marketing action they do have a number of disadvantages, particularly in sensitivity terms.

(1) Budgets can be seen as pressure devices imposed by management, thus resulting in: a) Bad labour relations b) inaccurate record-keeping. (2) Departmental conflict arises due to: a) Disputes over resource allocation b) departments blaming each other if targets are not attained. (3) It is difficult to reconcile personal/individual and corporate goals. (4) Waste may arise as managers adopt the view, "we had better spend it or we will lose it". (5) Responsibility versus controlling, i.e. some costs are under the influence of more than one person, e.g. power costs. (6) Managers may overestimate costs so that they will not be blamed in the future should they overspend.

Steps for Effective Budgetary Control

There are five Steps to an effective budgetary control system. These are:

(a) Grounding of budgets (b) Communicating and agreeing budgets with all concerned (c) Having an accounting system that will record all actual costs (d) Preparing statements that will compare actual costs with budgets, showing any variances and disclosing (e) the reasons for them, and (f) Taking any appropriate action based on the analysis of the variances in d) above.

Conclusion:

After a budgeting system has been in operation for some time, there is a tendency for next year's budget to be justified by reference to the actual levels being achieved at present. In fact this is part of the financial analysis discussed so far, but the proper analysis process takes into account all the changes which should affect the future activities of the company. Even using such an analytical base, some businesses find that historical comparisons, and particularly the current level of constraints on resources, can inhibit really innovative changes in budgets. This can cause a severe handicap for the business because the budget should be the first year of the long range plan. Thus, if changes are not started in the budget period, it will be difficult for the business to make the progress necessary to achieve longer term objectives.

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A Critical Review About Knowledge Management

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Abstract

On a global basis, organizations are recognizing the importance of knowledge as a means to gain or sustain competitive advantage. Researchers have concluded that the only thing that is sustainable, for successful businesses, in the New Millennium – is what it knows, how it uses what it knows, and how fast it can know something new. In the past, the dilemma was finding enough information, but now the problem has shifted to identifying and managing the nuggets of mission-critical knowledge amongst the mountains of meaningless noise. Many organizations are primarily knowledge-focused. They obtain data and information and produce either a product or service. In this production process they use their own, and others, knowledge and information. Much of the knowledge in an enterprise is grounded in the minds of employees. Past experience and internal learning create processes, insights, methodologies, know-how and understanding that represent what the business is and how it adds value. Since knowledge is the most basic of all competencies, its recognition, creation, application, and management should be a critical success factor for attainment of a competitive advantage.

Introduction

Information builds on data and knowledge builds on both data and information, knowledge Management includes all three elements. It does not focus on databases or information technology, although it may use both. Its concern is with managing its knowledge assets: creating, storing, and protecting, disseminating and using mission-critical knowledge. When people need knowledge, is it the right knowledge and is it timely and easy to locate and access? Is this precious commodity updated as learning occurs and better ways of doing things are discovered? The awareness of the value of knowledge to a business, coupled with its management, acts as an integrator that improves cross-functional communication and cooperation. Shared knowledge not only makes for a more effective, efficient and agile organization, but creates a common perspective and culture that produces a natural consistency of successful decisions and actions.

Knowledge Management is one of the hottest topics today in both the industry world and information research world. In our daily life, we deal with huge amount of data and information. Knowledge is a level higher than information. Knowledge resides in the minds of knower's. It is a Fluid mix of contextual structured and unstructured raw material that is transferred into valuable knowledge assets that can be renewed, grown, and acted upon. Many agree with the definition that "knowledge" is not only personal, it is also an evolutionary mental process – we formulate and structure what we know. . Data and information is not knowledge until we know how to dig the value out of of it. This is the reason we need knowledge management. Unfortunately, there's no universal definition of knowledge management, just as there's no agreement as to what constitutes knowledge in the first place Knowledge also includes intuitive and spontaneous responses to the environment in which we find ourselves Knowledge is an inherently human state of affairs, while information is what resides in mindless computers.

Definition

Knowledge Management (KM) refers to a multi-disciplined approach to achieving organizational objectives by making the best use of knowledge. KM focuses on processes such as acquiring, creating and sharing knowledge and the cultural and technical foundations that support them.

Knowledge Management may be viewed in terms of

- People – how do you increase the ability of an individual in the organisation to influence others with their knowledge
- Processes – Its approach varies from organization to organization. There is no limit on the number of processes
- Technology – It needs to be chosen only after all the requirements of a knowledge management initiative have been established.

OR

- Culture –The biggest enabler of successful knowledge-driven organizations is the establishment of a knowledge-focused culture
- Structure – the business processes and organisational structures that facilitate knowledge sharing

There are two types of knowledge. One is explicit knowledge, which is expressed in words and numbers and shared in the form of data, scientific formulae, product specifications, manuals, universal principles, etc.

This knowledge type can be readily transmitted across individuals formally and systematically. The second type of knowledge is referred to as tacit, something not easily visible and expressible.

Tacit knowledge is highly personal and hard to formalize, making it difficult to communicate or share with colleagues. Subjective insights, intuitions and hunches fall into this category of knowledge. Additionally, tacit knowledge is deeply rooted in an individual's action and experience, as well as in the ideals, values or emotions he or she embraces .Knowledge management is a collaborative work environment in which all untapped and unconnected knowledge is systemically collected, structured, and distributed enterprise-wide to support effective decision making and improvement of competitive advantage.

The following are generally considered integral components of knowledge management

- Generating new knowledge
- Accessing valuable knowledge from external sources
- Using accessible knowledge in decision-making
- Embedding knowledge in processes, products and services
- Representing knowledge in documents, databases, and software
- Facilitating knowledge growth through culture and incentives
- Transferring existing knowledge into other parts of the organization

The purpose of knowledge management (km) is to deliver value to an organization. The goal of Knowledge Management is to harness knowledge resources and knowledge capabilities of the business to enable the organization to learn and adapt to its changing environment. Therefore, Knowledge Management practices aim to Draw out the tacit knowledge people have acquired, what they carry around with them, what they observe and learn from their experience, rather than what is usually explicitly stated. The Knowledge executive process is about acquisition, creation, packaging, and application or reuse of knowledge.

Knowledge Management is unique because it does more than manage and present information. It unlocks the contextual value and includes assumptions, experiences and insights. Earlier attempts at information management concentrated on the amount of information accumulated the efficiency of processing, and the speed with which an organization could move data. Legacy systems primarily stored information in separate business silos, rarely integrating enterprise-wide information.

Knowledge Management is rooted in many disciplines including psychology, sociology, business, economics, education, information and document management among others. These areas have developed perspectives on the workings of individuals and systemic knowledge. Knowledge Management embraces these perspectives, but operates from the basic premise of the "sticky" nature of knowledge. That is, knowledge is dynamically imbedded in networks and processes as well as in the human beings that constitute and use them. For example, people acquire knowledge from established processes and routines, the entirety of which is usually impossible for any one person to know.

However, routines evolve as people interact with them in response to changes in the environment, the particular organization, and the composition of the employees that carry out the routines. This distinction provides impetus for knowledge management, at least in the current state, to focus on enhancing an organization's innovation potential to leverage it for competitive advantage. This is the "Holy Grail" – a set of activities and tools that organize and nurture creativity on a large scale for effective competition.

Technologies That Support Knowledge Management

The following diagram reflects the main technologies that currently support knowledge management systems.

These technologies roughly correlate to four main stages of the Knowledge Management life cycle

1. Knowledge is acquired or captured using intranets, extranets, groupware, web conferencing and document management systems.
2. An organizational memory is formed by refining, organizing, and storing knowledge using structured repositories such as data warehouses.
3. Knowledge is distributed through education, training programs, automated knowledge based systems, expert networks.
4. Knowledge is applied or leveraged for further learning and innovation via mining of the organizational memory and the application of expert systems such as decision support systems.

All of these stages are enhanced by effective workflow and project management. In the new global environment, an organization's competitive capability is intrinsically tied to the ability to rapidly collaborate with customers and key stakeholders. The primary concern today is to ensure that the knowledge necessary to drive critical business processes is available where it

Needs to be, when it needs to be. A variety of market factors have contributed to the growth of and interest in knowledge management. They include:

- Accelerated pace of change
- Staff attrition – especially that resulting from years of downsizing and reengineering
- Growth in organization scope – geographic

dispersion associated with globalization of markets
- Global integration
- Increase in networked organizations
- Growing knowledge-intensity of goods and services
- Revolution in enabling technology

Knowledge Management planning includes the following

1. Develop an understanding of why a knowledge initiative is being undertaken. The key to this is a clear set of business objectives. These may be one or more of the following:
    - Focus on enriching relationships with customers (understanding their requirements, Giving them better service and delivery, informing them of potential developments)
    - Focus on product leadership
    - Focus on operational excellence
    - Increase market share in particular sector up to a specific percentage through

    Improved marketing, sales organization competitive pricing, and availability and Performance of product.
2. Obtain a knowledge landscape, of the organization, to identify those activities that are likely to give an immediate and significant payback.
3. Focus on the knowledge-focused requirements for competent execution of complex decisions and tasks.
4. Identify areas where knowledge is missing for particular business and support processes.
5. Identify repositories of knowledge and determine whether any of the gaps in the Knowledge requirements may be filled from these repositories.
6. Identify bottlenecks in knowledge transfer or knowledge distribution, and attempt to eliminate them.
7. Identify how to organize appropriate approaches to standardize knowledge acquisition so that knowledge can be cumulated and merged with other knowledge.

The ideal knowledge management process would work as follows: Data enters an organization in product and service transactions. The data becomes information when it is analyzed to create summaries of customer, account, service, product, and business unit activity and performance. This information populates databases and is minded into knowledge repositories, where it can be integrated with other relevant information. Knowledge is created when data and information from these repositories are used in the normal course of business and the results are recorded and codified. For example, the customer service representative can capture knowledge surrounding transaction data. Then the organization can use this customer knowledge to determine what products or services will provide value add for the customer. Decisions about such matters as product alternatives, additional products and services, better use of products might be made on the basis of knowledge garnered from previously successful scenarios.

Knowledge Management is a critical success factor and challenge for the future. Creating, capitalizing and sharing knowledge capital will be a primary function of any successful organization. It is a long-term program starting from a strategic commitment, involving a correct understanding of Knowledge Management and knowhow in the business, and integrating various and well-adapted tools.

Knowledge is now considered capital, which has a significant value. It is a strategic resource for increasing productivity; stability factor in an unstable and dynamic competitive environment. Technology can enable organizations overcome obstacles and barriers of space and scale. With appropriate technology, workers can easily find others with needed expertise or common interests. Once connected, they can work together to share and enrich knowledge in virtual spaces, allowing for the discovery and use of valuable insights, exchange of ideas and information and the building of relationships.

The Effect of Knowledge Management on Databases

Multiple corporate databases will merge into large, integrated, multidimensional knowledge bases that are designed to support competitive intelligence and organizational memory. These centralized knowledge repositories will optimize information collection, organization, and retrieval. They will offer knowledge enriching features that support the seamless interoperability and flow of information and knowledge. These features may include: the incorporation of video and audio clips, links to external authoritative sources, content qualifiers in the form of source or reference metadata, and annotation capabilities to capture tacit knowledge. Content will be in the form of small reusable learning objects and associated metadata that provides contextual information to assist Knowledge Management reasoning and delivery systems.

The Implications of Knowledge Management for Database Users: From business class users to the general public, database users will enjoy a new level of interaction with the KM system including just-in-time knowledge that delivers precise relevant information on demand and in context. More complex, smart systems will translate to optimal usability and less time spent searching for relevant information. For example, data analysts will enjoy simplified access and more powerful tools for data exploitation. The use of knowledge bases can reduce customer service costs by providing customers with easy access to 24/7 self service via smart systems that reduce the need to contact customer service or technical support staff. Database users may even create customized views of knowledge bases that support their needs.

Database Developers: The design and development of knowledge based systems will be considerably more complex than current database development methods. Developers must consider the overall technical architecture of the corporation to ensure seamless interoperability. The use of standardized metadata and methods will also facilitate both intra-corporate and inter-corporate interoperability. Making effective physical storage and platform choices will be equally more complex. Both knowledge base developers and administrators must understand the role of the knowledge base in the overall KM system.

Database Administrators: Database Administrators will evolve into Knowledge Managers. The knowledge base will store and maintain corporate memory and Knowledge Managers will become the gatekeepers of corporate knowledge. The lines between technical roles such as Web Developer, Data Analyst or Systems Administrator will blur as these systems merge into and overlap with KM systems. DBAs will need to have some knowledge about each of these disciplines.

General Public: Even if they are not interacting directly with a knowledge base, the general public will benefit from the secondary effects of improved customer service due to faster access to more accurate information by service providers.

The Future of Knowledge Management:

In the next several years ad-hoc software will develop into comprehensive, knowledge aware enterprise management systems. Knowledge Management and E-learning will converge into knowledge collaboration portals that will efficiently transfer knowledge in an interdisciplinary and cross functional environment. Information systems will evolve into artificial intelligence systems that use intelligent agents to customize and filter relevant information. New methods and tools will be developed for Knowledge Management driven E-intelligence and innovation.

Conclusion

Organizations are realizing that intellectual capital or corporate knowledge is a valuable asset that can be managed as effectively as physical assets in order to improve performance. The focus of knowledge management is connecting people, processes and technology for the purpose of leveraging corporate knowledge. The database professionals of today are the Knowledge Managers of the future, and they will play an integral role in making these connections possible.

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Knowledge Management : A New Dimension Of Advance Management

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Abstract

Change is the law of nature. Now in the age of globalization, huge competition has been created in the business world. Each and every organization has striving for sustaining their position in business world and are using various technologies for its. Knowledge management is one of the important technology / techniques / tools /strategy which are essential to analysis, retain, improve and share the business knowledge and improving the performance and achieving excellence. Knowledge management includes people, processes, technology culture, structure, strategies and practices, Its focus on organizational objectives, such as improve performance, competitive advantage, innovation, the sharing of lesson learned, integration and continuous improvement of the organization and adapt to changing environments and markets as well as drive to cultural change. Now a days, knowledge management system and development of information systems have changed the conduct of business organization all over the world. In the present knowledge based, dynamic and competitive business environment, usage of knowledge management systems for business solution has become the prominent factor in shaping the organizational competency. This paper focus that, the knowledge management plays a major role in business environment and achieving success of the organizations.

Introduction

The present business environment are no longer predictable for any organization because they are changing rapidly in the competitive environment. The success or failure of an organization entirely depends on its adjustments to the present business environment. The information technology has changed the way of doing business by the organizations and reduce the risks or filled the gaps between accessing and maintaining the information and changing the information into a valuable knowledge for future needs. Many of the organizations take advantages of the technology and follow the above said process. Even though, many organizations lack applying their organizations intellectual knowledge for a competitive advantage. The solution is the knowledge management which translates the organizations capabilities into a defined knowledge which will be useful for its future business needs. The knowledge whether it is tacit or explicit is represented in database or documents or in other words it can be defined as the capturing of the organizations knowledge from various processes and departments like production, marketing, finance, etc. which can be used for many future needs of the organizations, like captured knowledge can be used for future innovations and all the processes which can be distributed easily and upgraded instantly for the business survival.

Objectives of study

1 To know the importance of knowledge management in competitive environment.
2. To study the impact of knowledge management systems in improving the performance and achieving excellence of organizations.

Hypothesis

1. Knowledge management to be able to creating, transfer and apply knowledge with the purpose of better achieving objectives.
2 Effective knowledge management is now recognized to key driver of new knowledge and new idea's to the innovative products, services and solutions.
3. Knowledge management greatly contribute to improved excellence.

What is knowledge?

Knowledge is the full utilization of information and data, coupled with the potential of people skills, competencies, ideas, intuitions, commitments and motivations.

The Australian Standard on Knowledge Management (AS 5037 2005) defines Knowledge as "A body of understanding and skills that is constructed by people and increased through interaction with other people and with information."

Davenport and Prusak define knowledge as "a fluid mix of framed experience, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information. It originates and is applied in the minds of knowers. In organizations, it often becomes embedded not only in documents or repositories but also in organizational routines, process, practices, and norms.

Tacit knowledge–Tacit knowledge includes insights, intuitions and hunches. Tacit knowledge represents internalized knowledge that an individual may not be consciously aware of, such as how he or she accomplishes particular task.

Explicit knowledge – Explicit knowledge refers to knowledge that has been expressed into words and numbers. Explicit knowledge represents knowledge that the individual holds consciously in mental focus, in a form that can easily communicated to others.

Embedded knowledge – It is tacit and resides within systematic routines. It relates to the relationship between roles, Technologies, formal procedures and emergent routines within a complex system in order to initiate any specific live of business knowledge transition helps a lot.

What is knowledge Management?

AS 5037 2005 defines Knowledge Management as: "A trans-disciplinary approach to improving organizational outcomes and learning, through maximizing the use of knowledge. It involves the design, implementation and review of social and technological activities and processes to improve the creating, sharing, and applying or using of knowledge. Knowledge management is concerned with innovation and sharing behave, managing complexity and ambiguity through knowledge networks and connections, exploring smart processes, and deploying people-centric technologies."

Snowden (2009) states that "The purpose of knowledge management is to provide support for improved decision making and innovation throughout the organization. This is achieved through the effective management of human intuition and experience augmented by the provision of information, processes and technology together with training and mentoring program."

Peter Drucker defines that, the coordination and exploitation of organization knowledge resources in order to creating benefit and competitive advantages.

Davenport and Prusak (2000) defines that, knowledge management is managing the cooperation knowledge through a systematically and organize specified process for acquiring organizing, sustaining, applying, sharing and renewing both the tacit and explicit knowledge of employees to enhance organization performance and creating value.

In other words we say that, knowledge management is the collection of processes that governs the creation, dissemination and utilization of knowledge and is an audit of intellectual assets.

Needs of knowledge management in industrial development

Now a days, knowledge management system and development of information systems have changed the conduct of business organization all over the world. In the present knowledge based, dynamic and competitive business environment, usage of knowledge management systems for business solution has become the prominent factor in shaping the organizational competency. Knowledge economy is rapidly becoming the largest and more successful and sustainable economy in the world. To survive and succeed in the global knowledge economy, we must become more effective and more productive, we must always strive for the best relations and highest quality. Knowledge has become the key strategic assets for every organization that values knowledge, it must invest in developing the best strategy for identifying, developing and applying the knowledge assets it needs to succeed. Therefore, every organization needs to invest in creating and implementing the best knowledge networks, processes, methods, tools and technologies. This will enable them to learn, creating a new knowledge and apply the best knowledge must faster. Knowledge management methodologies and technologies must enable effective ways to elicit, represent, organize, reuse and renew this knowledge. Knowledge management is the practice of harnessing and exploiting intellectual capital to gain competitive advantage and customer commitment through efficiency, innovation and faster & more effective decision making. Knowledge management will greatly contribute to improved excellence, such as it is dramatically reduce costs, provide potential to expand and grow, increase our value and profitability, improved our products and services. Therefore, we can say that, knowledge management helps to become more effective player in the global knowledge economy or becoming a more competitive knowledge leader and knowledge driven organization.

Knowledge management systems

Knowledge management systems are the integration of technologies and mechanism that are developed to support knowledge management processes. Knowledge management mechanisms are organizational or structural means used to promote knowledge management. It includes learning by doing, on-the-job training, learning by observation, and face-to-face meetings. Knowledge Management Technologies used for knowledge acquisition and case-based reasoning systems, electronic discussion groups, computer-based simulations, databases, decision support systems, enterprise resource planning systems, expert systems, management information systems, expertise locator systems, videoconferencing, and information repositories encompassing best practices databases and lessons learned systems. Knowledge Management Systems utilize a variety of knowledge management mechanisms and technologies to support the knowledge management processes such as Knowledge Management Discovery Systems, Knowledge Management Capture Systems, Knowledge Management Sharing Systems and Knowledge Application Systems.

Knowledge Discovery Systems — Knowledge discovery systems support the process of developing new tacit or explicit knowledge from data and information. Its Support to knowledge management sub-processes combination and enabling the discovery of new explicit knowledge socialization and discovery of new tacit knowledge.

Knowledge Capture Systems — Knowledge capture systems support the process of retrieving either explicit or tacit knowledge that resides within people, artifacts, or organizational entities. Technologies can also support knowledge capture systems by facilitating externalization and internalization.

Knowledge Sharing Systems— Knowledge sharing systems support the process through which explicit or implicit knowledge is communicated to other individuals. Discussion groups or chat groups facilitate knowledge sharing by enabling individuals to explain their knowledge to the rest of the group.

Knowledge Application Systems — Knowledge application systems support the process through which some individuals utilize knowledge possessed by other individuals without actually acquiring, or learning, that knowledge Mechanisms and technologies support knowledge application systems by facilitating routines and direction.

Knowledge Management Mechanisms — Mechanisms facilitating direction include traditional hierarchical relationships in organizations, help desks, and support centers. Mechanisms supporting routines include organizational policies, work practices, and standards.

Knowledge Management Technologies — Technologies supporting direction include experts' knowledge embedded in expert systems and decision support systems, as well as troubleshooting systems based on the use of technologies like case-based reasoning Technologies that facilitate routines are expert systems, enterprise resource planning systems, and traditional management information systems.

Knowledge Management Life Cycle

There are certain pre defined phases which are to be followed for creating a knowledge centric organization all together can be termed as Knowledge management life cycle. The phases are Knowledge creation, Knowledge capturing or collecting, knowledge organizing, knowledge refinement, knowledge distribution and maintenance phase. The Knowledge creation can be achieved from the past experience of an individual or a team who undergoes in performing or completing certain job in a specific time in an organization and whose experience from starting of that job to its completion is considered as knowledge and is used in future when performing the same task with corrective steps. The Knowledge capturing phase includes capturing the knowledge both tacit and explicit using certain tools. This phase primarily focuses on bringing out the knowledge and present in a form which is useful for the users. The next phase is the knowledge organizing phase in which the organizing of the captured data is done using different methods like clustering, codifying, filtering, cataloguing etc. so that useful knowledge can be generated. The next phase the Knowledge refinement phase which means the conversion of the explicit knowledge captured is done into tacit knowledge using the data mining technique. Data mining is software which gives different patterns for data organizing and analyses the future risks based on the data supplied. The next phase is the knowledge distribution phase where the knowledge is made available to the users or employees with certain guidelines to improve their day to day performing activities and the organizations business needs. The last phase is the maintenance phase which gives the assurance that the knowledge which is shared is reliable and accurate meeting the organizations business needs. In this way the knowledge management is implemented in an organization in different phases. The ideal goal of the implementation of the knowledge management system is not creating or maintaining the knowledge in repositories but sharing the knowledge among various employees of various functional departments becoming useful in their day to day business functions. For this, A common knowledge based cultured should be developed and interaction with colleagues, sharing and collaboration should be motivated among the employees.

Conclusion

Knowledge has become the key resource for nations economic growth and strengths. Knowledge management is defined as the tool, technique, and strategies which are essential to analyze, retain, improve and share the business knowledge. Knowledge management is the process through which organizations generate value based assets. Knowledge has become the key strategic assets for every organization. Thus, knowledge management and knowledge management systems are very important for industrial organization. In this paper we have tried to study the different aspects of knowledge management system and its importance in industrial organization. Knowledge management systems help organizations in creation of knowledge repositories, improving knowledge access, enhancing the knowledge environment and managing knowledge is an assets. Thus we can say that, Knowledge management systems are the synergy between latest technologies and social/ structural mechanisms.

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Importance Of Knowledge Management In Modern Age

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Introduction

Knowledge management is popular concept in modern age. It is an important in the industry, education, service, health and all sectors of the world. Today we have to must knowledge each and every field of economy. Without knowledge we cannot success in any field. Knowledge management means the collection of processes that govern the creation, dissemination and utilization of knowledge. In one form or another, knowledge management has been around for a very long time. Practitioners have included philosophers, priests, teachers, politicians, scribes, Liberians etc., Knowledge management is not "A technology thing" or a "Computer thing" only if we accept the premise that Knowledge management is concerned with the entire process of discovery and creation of knowledge then we are strongly driven to accept that Knowledge management is much more than a "Technology thing". Knowledge Management is an important role in modern world but before discussion of KM we have to know what is meant Knowledge.

Objectives of the Studies

- To study the meaning and definition of Knowledge.
- To study the meaning and definition of Knowledge Management.
- To study the importance of Knowledge Management in modern age.

Meaning of knowledge

- Knowledge is the full utilization of information and data, coupled with the potential of people's skills, competencies, ideas, intuitions, commitments and motivations.
- In today's economy, knowledge is people, money, leverage, learning, flexibility, power, and competitive advantage. Knowledge is more relevant to sustained business than capital, labour or land. Nevertheless, it remains the most neglected asset. It is more than justified true belief and is essential for action, performance and adaption. Knowledge provides the ability to respond to novel situations.
- A holistic view considers knowledge to be present in ideas, judgments, talents, root causes, relationships, perspectives and concepts. Knowledge is stored in the individual brain or encoded in organizational processes, documents, products, services, facilities and systems.

After this discussion I would like to focus on Knowledge Management.

What Is Knowledge Management?

Knowledge is an essential in every field in modern age. Without knowledge we cannot stay in world competition. So having knowledge is necessary but not sufficient. Use of available knowledge by systematically is most important.KM I essential topic and we can classified in to two types. One of them classification of knowledge in different category. Then we use Particular part or types of Knowledge at a particular time when need of this. For the classificant definition of each articles & thoughts are necessary knowledge of a particular articles and thought. In our country and our philosophy 64 types of arts, 52 types of sentences, 9 types of Grahas and its name with features and different types of songs.etc.

In this way we use classified knowledge for particular use.

Another type creates a specific net of knowledge. Create specific department or recruit an individual to provided specific knowledge to proper use. Use classified knowledge for proper use. Today various communication sources are available. Therefore second type of KM is easy. In short we can see KM is an important so, we have to know what is mean by KM. Management is social science therefore there is no specific and universal definition of knowledge management. I have some definition of KM are as follows.

Definition

"Knowledge Management (KM) refers to a multi-disciplined approach to achieving organizational objectives by making the best use of knowledge. KM focuses on processes such as acquiring, creating and sharing knowledge and the cultural and technical foundations that support them."

"Knowledge Management is about applying the collective knowledge of the entire workforce to achieve specific organizational goals. It is about facilitating the process by which knowledge is created, shared and utilised"

“Knowledge is defined as “the fact or condition of knowing something with a considerable degree of familiarity through experience, association or contact.”

Need and Importance Knowledge Management

It may happen that one has never thought of implementing a knowledge management system in any institute or organization. But it is a management-centric and beneficial decision to implement such a system in the premises. Knowledge management system helps in the following points of view:

Personal Points of View

Knowledge management is useful to an individual. Maybe you are considering developing your own personal knowledge management competencies, to become a more effective player in the global knowledge economy, or becoming a more competitive knowledge leader and knowledge driven organization.

Useful to Government and International Level

KM is useful to develop and apply knowledge management strategies to government and international organization to determination different types of programmes such as, military operations, National and global poverty eradication, employmement Programme .health policy, education policy old pension scheme national and international disaster management and even, now, knowledge management for national and international climate change.

Transfers Knowledge to Members

This automated system provides easy viewing of institute related information to all its employees or member. Thus, concerned authority would not have to answer the same query to every person. Knowledge management helps that every piece of knowledge and information is shared amongst all employees in the organization, business, Industry or any field. After than it also provides to new members entering the company that will benefit the organization business, Industry or any field as a whole.

Sharing of Knowledge

The main objective of the Knowledge management is Knowledge sharing. Here authorized user can start a discussion and share their expert knowledge and skills with those who are in urgent need of it. In this way would help in skill improvement of all the concerned users. Not all knowledge and information can be shared with all members of an organization. Often, just a part of knowledge and facts are required to be shared with certain members. Knowledge management facilitates sharing of information only at the appropriate times and situations with the right people. On the contrary, if the information is passed on to every member, they may become habitual of receiving knowledge and begin leaking it to competitors, which can otherwise prove to be risky and unsafe for the business and organization as a whole.

Creates Knowledge Repositories

This is similar to an FAQ found on any website. Often, there are some common questions that are raised by employees and outsiders over and over again. Thus, it is better to include the answers to such questions in the FAQ list than assigning one person to re-write and re-explain the same matter through personal emails every time he is raised with that question. With knowledge management, different repositories are created depending upon the needs of the employees, customers, and traders, thereby reducing an individual’s unnecessary workload.

Importance in Future Plan

KM system provides knowledge future plan, business forecasting, Sale budget, demand analysis, market survey and improve performance of employees and industry.

Importance in Recruiting

Knowledge Management useful in recruit process. With the help of knowledge management, a company or organization can recruit the right person who can provide their correct knowledge and skill and improve productivity and all over performance. Right and expert person provides knowledge and proper skill to an organization and reduce cost of production and increase productivity.

Conclusion

Modern age is the age of knowledge economy. In this age people compete all over the world. In the every sector of society knowledge is an important thing but without management we cannot success in our field. So knowledge Management is an important concept in modern age. Knowledge Management useful in every sector in the world.

Knowledge management is applied today across the world, in all industry sectors, public and private organizations, education, and health. It is useful to personal, organization and government as well as international level also.

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The Role Of Smartphone And Its Impact On Effective HR Practices

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Introduction

For several years, the demand for smartphones has outpaced other products on the mobile phone market. According to a 2012 survey, around half of U.S. mobile consumers own smartphones. They could account for around 70% of all U.S. mobile devices by 2013; in the 25 to 34 age group, smartphone ownership is so far reported at 62%. For the third quarter of 2011, the NPD Group reported that in the U.S., the proportion of handset sales that were made up of smartphones reached 59% for consumers aged 18 and over.

The European mobile device market, as measured by active subscribers of the top 50 networks, is 860 million. According to an Olswang report in early 2011, the rate of smartphone adoption is accelerating: as of March 2011, 22% of UK consumers used a smartphone, with this percentage rising to 31% amongst 24- to 35-year-olds.

In China, smartphones represented more than half (51%) of all handset shipments in the second quarter of 2012. In terms of worldwide profit share, smartphones far exceed the share of non-smartphones. According to a November 2011 research note from Canaccord Genuity, Apple Inc. holds 52% of the mobile industry's operating profits, while only holding 4.2% of the global handset market. Similarly, HTC and RIM only make smartphones and their worldwide profit shares are at 9% and 7%, respectively. Samsung, second to Apple at 29%, makes both smartphones and basic feature phones, but does not report separate profit results for the two kinds of devices.

Until the end of November 2011, 27% of all photographs were taken with camera-equipped smartphones, a significant increase from 17% in 2010. For many people, smartphones have replaced Point-and-shoot cameras. A study conducted in September 2012 concluded that 4 out of 5 smartphone owners (85.9 million U.S. users) use the device to shop.

In the third quarter of 2012, one billion smartphones were in use worldwide Global smartphone sales surpassed the sales figures for older-style phones in early 2013 while the three largest smartphone markets after the first quarter of 2013 are India, China, and the U.S

A smart phone, or smart phone, is a mobile phone built on a mobile operating system, with more advanced computing capability and connectivity than a feature phone. The first smart phones combined the functions of a personal digital assistant (PDA), including email functionality, with a mobile phone. Later models added the functionality of portable media players, low-end compact digital cameras, pocket video cameras, and GPS navigation units to form one multi-use device. Many modern smart phones also include high-resolution touch screens and web browsers that display standard web pages as well as mobile-optimized sites. High-speed data access is provided by Wi-Fi, mobile broadband, NFC and Bluetooth. In recent years, the rapid development of mobile application markets and of mobile commerce has been drivers of smart phone adoption.

The mobile operating systems (OS) used by modern smart phones include Google's android, Apple's iOS, Symbian, Blackberry Ltd's BlackBerry 10, Samsung's Bada, Microsoft's Windows Phone, Hewlett-Packard's web OS, and embedded Linux distributions such as MaeMo and MeeGo. Such operating systems can be installed on many different phone models, and typically each device can receive multiple OS software updates over its lifetime. A few other upcoming operating systems are Mozilla's Firefox OS, Canonical Ltd.'s Ubuntu Phone, and Tizen. Global sales of smart phones exceeded those of feature phones in early 2013.

Features and applications

Display

Screens on smartphones vary largely in both display size and display resolution. The most common screen sizes range from 3 inches to over 5 inches (measured diagonally). Some 6- to 8-inch screen devices exist that run on mobile OSes and have the ability to make phone calls, such as Huawei Ascend Mate (6.1 in), Sony Xperia Z Ultra (6.4 in), Huawei MediaPad 7 Vogue (7 in), Asus Fonepad (7 in) and Samsung Galaxy Note 8.0 (8 in). It has been argued that, in terms of ergonomics, increasing screen sizes starts to negatively impact upon usability Common resolutions for smartphone screens vary from 240×320 (QVGA) pixels to 1080×1920 (Full HD), with flagship Android phones commonly sporting full HD, 1080p displays and the iPhone 5at 640×1136. By late 2012 and early 2013, high-end handsets typically featured full HD 1080p screens.

Over time, the pixel density of smartphone screens is getting higher, with Apple branding its high-density display technology as “Retina”. High-density display is beneficial for small, complex characters (especially East Asian text) and sharp edges (especially line arts and “aliased” fonts).

In early October 2013, the Samsung Corporation disseminated a press release for its curved display technology with the Galaxy Round smartphone model. The press release described the product as the “world’s first commercialized full HD Super AMOLED flexible display.” The manufacturer explains that users can check information such as time and battery life when the home screen is off, and can receive information from the screen by tilting the device.

Android iPhone Windows Phone Note

ldpi (120dpi, Android 1.6 or later)

Windows Phone 7 96dpi

Windows Phone 7 131dpi mdpi (160dpi) iPhone 1/3G/3GS (163dpi) tvdpi (213dpi, Android 3.2 or later) Windows Phone 7 192dpiLumia 820/900 (217dpi) hdpi (240dpi, Android 1.6 or later)Nexus One (254dpi)/Nexus S (235dpi) Windows Phone 7 262dpiLumia 710/Lumia 800 (252dpi) xhdpi (320dpi, Android 2.2 or later)Galaxy Nexus (316dpi)/Nexus 4 (320dpi) iPhone 4/4S/5/5C/5S (326dpi) Lumia 920 (332dpi)Lumia 1520 (368ppi) xxhdpi (480dpi, Android 4.1 or later)Nexus 5 (445ppi) 5-inch Full-HD (440ppi)4.7-inch Full-HD (468ppi)

Audio

Types Android iPhone Windows Phone note

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A Study On Impact Of Social Media In Buying Of Mobile With Special Reference To Mobile Shop In Raipur City

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Introduction

Now in today's scenario social media like Blogs, LinkedIn, face book, twitter, Skype, etc. are playing a very important role in consumer buying behavior decision making process directly and indirectly. In recent trend of innovation in management social media becomes powerful and cost free approach to promote product to consumer. As per the survey result India's 75% youth are using social media for sharing their thought and views and comment in different area of country. B2C is an abbreviated term for business to consumer marketing. Business to consumer marketing is when a business markets products to a consumer market. A consumer is a buyer of products that are not business related. B2C products include goods and services such as food, clothes, cars, houses, phone services, credit repair services, etc. B2B buyers are using a wider variety of sources to research their purchases, and social media continues to play a more important role in the purchasing process, according to the 2012 Demand Gen Report B2B Buyer Survey. Not surprisingly, 95% of buyers say that vendors used email to stay in touch with them during the selection process, although 84% also said they were contacted by phone. A majority of buyers (59%) said they were pleased with vendors' choices about how and when to contact them, although 33% said there was room for improvement in this area, and 8% said they were unhappy with vendors trying to contact them too often. This research paper is based on perception of consumer regarding impact of social media in buying behavior decision making of consumer.

Objective of the study

- To determine the impact of social media in buying behavior of Mobile.
- To know the awareness of customer/ consumer regarding social Media awareness.
- To know the impact of Social media in Mobile Market and their Implication on E-Commerce.
- To determine the effect of social media in buying process of consumer/customer.

Research Methodology

Sample Size: - 30 Respondents

Hypothesis: - Null Hypothesis

Sources of data: - Primary Data (Collected Through Questionnaire) Secondary Data (Collected Through Books, Websites, Journals & Publication)

Research Design: - Exploratory & Descriptive Research

Data Interpretation & Tabulation: - Pie Chart

Area of research: - Raipur (Chhattisgarh).

Data Analysis & Interpretation

According to 29 respondents customer have knowledge about social media and 1 respondent say customer do not have any knowledge. 20 respondents have knowledge about 4 social media and rests have knowledge about 2 & 3 social media. 20 respondent say face book is the best social media for communication because of easy accessibility and user friendly nature and 10 respondents say twitter and skype are best due to feature of application. All respondents say social media is playing important role in buying behavior decision making process. According to 28 respondents customer are taking help and information from social media before purchasing any product and 2 respondents say that customer do not use help of social media before purchasing product. 25 respondents say that customer buying behavior decision is influenced by social media web sites and 5 respondents says that there is no effect of social media in buying behavior of any product. 20 respondents says that nowadays people takes help of social media before purchasing any product and 10 respondents says that people do not take help of social media in purchasing of product. According to 25 respondents customers family friend, siblings, relative uses social media advertisement before purchasing any product and 5 respondents says family friend, siblings, relative do not uses social media advertisement before purchasing any product. 25 respondent say customer uses other customer feedback regarding product before purchasing any product and 5 respondents say their customer do not use customer feedback regarding product before purchasing. 27 respondents strongly feel social media is playing very important role in recent marketing promotional activities and 3 respondents said that social media do not play any important role in recent marketing promotional strategy.

Findings

By the following research it can be concluded that customers have knowledge about social media. Customers are using social media not only for communication but also for collecting information regarding purchasing any new mobile phone product.

Face book is the most used website as social media for collecting information for buying of mobile phones. Now days in 21st century buying behavior decision making of mobile phones are influenced by social media directly and indirectly. In today's competitive environment and in 21st century social media became very useful technique for mobile phone marketing promotional strategy.

Recommendation

By the following research it can be recommended that manufacturer/Producer must use social media for promoting their product into market. Before making any product manufacturer/producer should call suggestion of people by help of social media that which kind of product they want and price of the product so that they can make product according to need of the customer. Manufacturer should use social media with proper planning and in systematic manner for increasing success of their product in market.

Suggestion

By the above study following are suggestion that proper and systematic effort should be use by mobile shopkeeper for attracting their customer/consumer. Shopkeeper must aware their customer/consumer regarding application of social media so that they can make their decision soon regarding purchasing of mobile phones. Social media should be used as a effective and cost free approach for promoting product in market by mobile phone manufacturer and shopkeeper.

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Challenges And Prospects Of Ethical Hacking

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Abstract

Ethical Hacking - or, less colorfully, penetration test - involves simulating the attacks a malicious or illegal hacker could carry out on a network, so that protection can be tightened to prevent them. An ethical hacker is a computer and network expert who attacks a security system on behalf of its owners, looking for vulnerabilities that a malicious hacker could exploit. This work is ethical because it is performed to increase the protection of the computer systems, but only at the request of the company that owns the system and specially to prevent others from attacking it. With the increasing use of the internet, it has become an essential part of IT security industry today. The explosive growth of the Internet has brought many good things: electronic commerce, easy access to vast stores of reference material, collaborative computing, e-mail, and new avenues for advertising and information distribution, to name a few. As with most technological advances, there is also a dark side: criminal hackers. This paper aims to analyze the role and work of ethical hackers in India with special reference to measures to safeguard the vulnerabilities that an hacker may exploit and damage.

Key words: IT Security, Hacking, Networking, Security Measures, Anatomy of Hacking Challenges and Prospects.

Introduction

Ethical Hacking is having a good knowledge of computer and network. Hacking may be defined as an illegal act of breaking into a system or Internet. There are more types of hacking such as html hacking, password hacking. Recent news for hacking is hijacking face book account and using it for wrong purposes. Hacking may be defined as an illegal act of breaking into a system or internet. There are more types of hacking such as html hacking, password hacking. Hacker Hacking steals private information. For example stealing your mail user name and password etc. Three types of Hacking **White hat**: White hats refer to ethical hackers that have the permission of the person or the law to target a person's or a company's computer to achieve a specific goal.

Black hats: They are the unethical hackers who utilize their skill for their self-interest. Their activities harm other people. **Phreakers**: They are the people who are engaged in hacking telecommunication services or the public utility services. Recent news for hacking is hijacking face book account and using it for wrong purposes.

What is Ethical Hacking?

Ethical Hacking is done by computer experts who use their programming capabilities to understand the system vulnerabilities. Ethical Hacking is performed by an individual who is termed as white hat or skilled expert with computers, who is given permission to use their programming skills which will help them detect any minor vulnerability in the system. The computer security community is strongly self-policing, given the importance of its work. Most ethical hackers, and many of the better computer and network security experts, did not set out to focus on these issues.

Who are ethical hackers?

The term "ethical hacker" has received criticism at times from people who say that there is no such thing as an "ethical" hacker. Hacking is hacking, no matter how you look at it and those who do the hacking are commonly referred to as computer criminals. However, the work that ethical hackers do for organizations has helped improve system security and can be said to be quite successful

What do ethical hackers do?

Illegal hackers penetrate your system and use your personal data for their own gain.

Ethical Hacking on the other hand, protects your computer from illegal hacks. An anonymous computer hacker sends viruses that can crash your computer. Once your computer is at its weakest point, computer hackers steal your information and use it for their own means and gains. Some example : Evaluate vulnerabilities in IT infrastructure , Test human behavior , Find the leak etc.

When the user requests an evaluation, there is quite a bit of discussion and paperwork that must be done up front. The discussion begins with the customers answers to questions similar to those posed :

- What are you trying to protect?
- What are you trying to protect against?
- How much time, effort, and money are you willing to expend to obtain adequate protection?

A surprising number of clients have difficulty precisely answering the first question: a medical center might say "our patient information," an engineering firm might answer "our new product designs," and a Web retailer might answer "our customer database."

It is common for potential clients to delay the evaluation of their systems until only a few weeks or days before the systems need to go on-line. Such last-minute evaluations are of little use, since implementations of corrections for discovered security problems might take more time than is available and may introduce new system problems.

What are white hat hackers and what are black hat hackers?

White hat hackers are certified ethical hackers. They are allowed to penetrate computer systems to find out its kinks and make sure that these kinks are ironed out. They perform Ethical Hacking to ensure the safety of your computer system. Here is a list of benefits that you can derive from hiring white hat hackers:

1. White hat hackers increase the security levels of computer systems. They help increase your protection against black hat hackers who are out to get your personal information.
2. A white hat hacker prevents black hat hackers from entering your computer system. White hat hackers employ high level computer science to evaluate and increase the security of your computer system.
3. White hat hackers perform Ethical Hacking to improve the defense mechanism of your computer system.
4. White hat hackers evaluate and assess the capability of your system to find out potential loopholes and cracks that black hat hackers can enter. They make sure that your system is protected from the sneaky techniques of black hat hackers.

These are some of the benefits that white hat hackers can offer. If white hat hackers perform Ethical Hacking, black hat hackers are their antithesis. Black hat hackers are illegal hackers that want to steal your personal information. Black hat hackers are bad for your system. They wreck your system and prevent it from performing well. Black hat hackers leave your system in shambles. It is best to hire a white hat hacker to create a line of defense against black hat hackers.

The Ethical Hacker influences processes and techniques in various fields namely

- Marketing – Sticking to ethical pricing and refraining from
- manipulation of networks in order to breach secured competitor databases.
- Human Resources – Maintaining proper balance of power
- between the organization and the hacker despite critical information sharing.
- Consumer Protection – Fairness of employment contract and adhering to privacy rules and regulations.
- Environmental issues – Complete online and computerized
- duties that require a large amount of power and electricity to
- run machines and data servers.
- Corporate Ethics – Prevention of

The ethical hack itself

If the ethical hackers recognize a limitation in the client's security, the criminal hacker could potentially try to exploit that susceptibility. This is particularly vexing since the performance of the ethical hackers might mask those of the criminal hackers.. In extreme cases, additional intrusion monitoring software can be deployed at the target to ensure that all the tests are coming from the ethical hacker's machines. However, this is difficult to do without tipping off the client's staff and may require the support of the consumers Internet service provider.Several kinds of testing :- *Remote network* , *Remote dial-up network*, *Local network*, *Stolen laptop computer, Social engineering, physical entry*

A total outsider has very limited knowledge about the target systems. The only information used is available through public sources on the Internet. This test represents the most commonly perceived threat. A well-defended system should not allow this kind of intruder to do anything. A well-defended system should only allow this kind of intruder to access his or her own account information.

A valid user has valid access to at least some of the organization's computers and networks. This tests whether or not insiders with some access can extend that access beyond what has been prescribed. A well-defended system should allow an insider to access only the areas and resources that the system administrator has assigned to the insider.

An Ethical Hacker is someone who is

Programming and networking skilled, Installation and maintenance skilled, System management skilled, Knowledgeable, Hardware and software, Completely trustworthy, Discrete, Patient, persistent and methodical, Certified Ethical Hacker etc.

Need For Ethical Hacking

Indian corporation should invest in Ethical Hacking and penetration reviews of IT infrastructure:

- To prevent defacement of corporate websites with vulgar images and obscene text.
- To protect confidential client or financial data from being compromised.
- To prevent IT assets from being used as launch pad for virus attacks.
- To comply with industry and other IT regulatory frameworks.
- To validate risk assessment.

Information Security Challenges

More particularly, the organization was attracted in ethical hacking as a response to shifting organizational network boundaries. This shift is the result of adoption of new technologies such as cloud computing and practices such as outsourcing. These technologies provide more robust information flow but also necessitate the ability to go beyond traditional technical controls.

Prospects

Today software companies whether government or private is dealing with hardcore security problems. Crackers and intruders enter databases and web servers for stealing, damaging and spreading of irrelevant programs. This brings in the need of ethical hackers and courses on ethical hacking. Ethical hacking in India is grabbing the market fast and is doing a brisk business. It is the job of ethical hackers to protect the networking infrastructure and corporate websites.

Conclusions

The ethical hackers would have an ongoing responsibility to ensure the safety of any information they retain, so in most cases all information related to the work is destroyed at the end of the contract. The idea of testing the security of a system by trying to break into it is not new. Whether an automobile company is crash-testing cars, or an individual is testing his or her skill at martial arts by sparring with a partner, evaluation by testing under attack from a real adversary is widely accepted as prudent.

Regular auditing, vigilant intrusion detection, good system administration practice, and computer security awareness are all essential parts of an organization's security efforts. A single failure in any of these areas could very well expose an organization to cyber-vandalism, embarrassment, loss of revenue or mind share, or worse. Any new technology has its benefits and its risks. While ethical hackers can help clients better understand their security needs, it is up to the clients to keep their guards in place.

Many companies are of the opinion that investing in Ethical Hacking is waste of time and money but reality is that is ignorance can cost company millions of Rupees.. Ethical hackers make sure that any of these vulnerabilities are fixed and problems plugged to protect data from fraudulent use.

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A Conceptual Study About Ethical Management & Code of Ethics

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Introduction

New business is launched anywhere, whether a one-man operation or a full organizations, the owner must adopt a code of ethics for the business. For small businesses, the code is usually unwritten and sometimes not even discussed and decided upon, but still a code exists. Larger businesses often have written codes of ethics and employees are trained in them and required to stick to the code. Ethics involves evaluating and knowing "right from wrong" in a specific situation. Ethics refers to the rules and principles that define right and wrong conduct. There are ethical dimensions to managerial decisions and actions. Business ethics means examining specific principles and moral guidelines that impact the organization's overall environment. Nearly every field of employment – legal, medical, clerical, etc. has numerous ethical questions facing them every day. Good management means having a leader who can apply the corporate philosophy and codes in a substantive way daily.

Need of the study

The concept of ethics is applied to human being only as they have freedom of choice and means of free will. They can only decide the degree of ends they wish to pursue and the means to achieve the ends. The study of ethics is nothing but a field of social science in which a set of systematic knowledge about moral behavior and human conduct is learned. Ethics deals with human conduct which is voluntary not forced by circumstances or human. The science of ethics is a normative science. It is a search for an ideal litmus test of proper behavior. A code of ethics guide to man's choice and action. So the ethical management and code of ethics can achieve the business goals and should be followed.

Literature Review

Manisha Paliwal (2007) Ethics is not a recent discovery, the field of ethics involves systematizing, defeading and recommending concepts of right and wrong behavior. Ethics is mass moral principles or set of values about what is right or wrong, true or false, fair or unfair, proper or improper what is right is ethical and what is wrong is unethical. A.C. Fernando (2009) the study of ethics has become an important ingredient of the syllabus of management schools in recent years. This is because of ethical issues that have come to forefront as a result of many well-known failures of corporate.

Paul Griseri & Nina Seppala (2010) Ethics, the study of right and wrong, is not only the foundation of business ethics but also underpins the key arguments and concept of corporate social responsibility. Azhar Kazmi (2010) described personal values and ethics are important for all human beings. and importance of values and ethics in business. D.B.Patil (2011) defines values and ethics and its impact.

Objectives of the study

The present study is attempts to understand business ethics and it's important in management area.

- To assess the impact of Business ethics.
- To study about various aspect of ethical management and code of ethics.
- To analyses ethical management in business.
- To understand the importance of ethics.
- To interact with management persons.

Research Methodology

In present paper, I briefly summarize some of key concepts and frameworks of Business ethics. This research is based on both primary and secondary data. The scope of the present study is restricted to analyses the view of one hundred respondents only from different industries of Shirpur Tehsil Dist.Dhule (MS). Survey method adopted to find out opinion of respondents about ethics in their industries. The secondary data has been collected from internet and books.

Analysis

A positive approach, to ethical management and code of ethics, given by the respondents i.e. businessman, industrialist, managers, administrative persons. They agree about the requirement of ethical management in their organisation and respondent 98% to the question. They were applying business ethics in their routine business and prescribed code of ethics for decision making process. They understand the importance of business ethics and respond 87% to upgrading ethics in every policies. While strategic management of their organisation, they ready to implement the values and ethics respond 82% to this question.

Importance of Ethics in Business

1. Profit Maximization:- The importance of ethics in business can be understood by the fact that ethical businesses tend to make much more profits than the others. The reason for this is that customers of businesses which follow ethics are loyal and satisfied with the services and product offerings of such businesses. The importance of ethics is that it creates loyalty in customers and maximizes the profits.

2. Efficient Utilization of Business Resources:- In an organization, people working at the junior levels often emulate the ones working at the top. The same applies with ethics too. If the management or seniors of an organization follow ethical business practices. This will result in better and efficient utilization of the business resources.

3. Creates Goodwill in the Market:- An organization, which is well known for its ethical practices, creates a goodwill for itself in the market. Investors or venture capitalists are more willing to put their money in the businesses which they can trust. Shareholders too, remain satisfied with the practices of an ethical businesses. Thus, the importance of business ethics in creating goodwill and building long term relationships.

Impact of Values and Ethics in Business

The twin issues of personal values and business ethics have come to occupy centrestage in management. There is an increasing awareness around the word about ethical practices in business. This is in tandem with the rising interest around the world in issues such as spirituality at work. International organisations such as the World Bank and International Monetary Fund are concerned about whether the aid provided by them is being used for the intended purposes and is not being frittered away by corrupt government officials. Transparency International brings out an annual rating of countries on an index of corporation that serves as a guideline for foreign investors and international donor agencies. Global Integrity Index rate countries on how effective they are in dealing with corruption. India's 2007- rank on the Transparency International's Corruption perception Index is 72 out of 179 nations. On global integrity, India scores better with a ranking of 11 out of 55 nations. Within Indian, there are significant social, cultural, political, technological and economic factors affecting the state of personal values and business ethics within an industry.

- The way in which the members perceive situations and problems they face.
- The decision and solution to the problems.
- The way the members see others.
- The perception of individual and organisational success as well as achievement.
- Set the limits for the determination of what is right or wrong.
- The extent to which the organisation and its members accept or resist external pressures.

Views of Ethics

1. Utilitarian view of ethics:- It states that ethical decisions are made solely on the basis of their outcomes or consequences.

2. Rights view of ethics:- It says that ethical decisions are concerned with respecting and protecting individual liberties and privileges such as the rights of privacy, freedom of conscience, free speech, life and safety, and due process.

3. Theory of justice view of ethics:- It states that decision makers seek to impose and enforce rules fairly and impartially.

4. Integrative social contracts theory:- It proposes that ethical decisions should be based on empirical (what is) and normative (what should be) factors. This view is based on the integration of two "contracts"—the general social contract and a more specific contract among members of a specific community that might be affected by a decision.

Personal Value and Ethics in Strategic Management

Personal value and ethics of an organisation taken together constitute an important ingredient of corporate culture. Value is a work of personal philosophy which governs and influences the individual reactions and responses to any situation. It refers to a conception of what the individual regards as desirable. This conception of desirability or undesirability shapes the behaviour of individual in a given situation. Personal values are imbibed from parents and other family members, teachers and other with whom the person interacts. Though is generally of enduring nature, the individual adapts new values and refines the old ones in the light of new knowledge and experience as he grows. Ethics may be thought of in terms of a mass moral principles or set of values about what conduct ought to be. Thus it specifies what is good or bad, right or wrong from social point of view. Business ethics related to the behaviour of businessmen in business situation.

Conclusion

In current scenario, no doubt, confusion will prevail everywhere. Thus, ethics and values are the very foundations on which this society is standing. Organizations which follow certain business ethics have better chances of survival, compared to the ones whose only goal is to make profits, even if they have to compromise on a lot of things for that. The chief goal of any organization is to maximize its profits. The importance of business ethics can be understood from the fact that it helps the businesses in achieving its goal of profit making by creating goodwill for the business in the market, increasing its loyalty among the customers, by aiding in employee retention and by maximum utilization of its resources.

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Issues And Challenges In Infrastructure Development In Uttar Pradesh

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Introduction

Uttar Pradesh, the most populous state of India is well known for its multi-hued culture, religion and variety of geographical land. It is endowed with natural wealth in abundance such as minerals, forests, flora and fauna. The state has to its credit the magnificent architectures and known for its rich arts and crafts. Uttar Pradesh is located in the Northern part of India and is surrounded by Bihar in the East, Madhya Pradesh in the South, Rajasthan, Delhi, Himachal Pradesh and Haryana in the West and Uttarakhand in the North and Nepal touches its Northern borders.Uttar Pradesh is primarily an agrarian economy with more than 60% of the population depends on agriculture for their livelihood. The state is the largest producer of food grain in India and offers a divers agro climatic condition which is conducive for agricultural production.

Infrastructure

Infrastructure plays a vital role in driving industrial, economic and social growth. To develop a strong economy, Uttar Pradesh has been making serious and conscious efforts in the development of infrastructure and inviting private participation on a large scale.

Noida offers excellent infrastructural facilities for setting up industrial, educational and residential projects and has been ranked one of cities, where it takes minimum time to start a business. The proximity to national capital is an additional advantage for the state. Various PPP projects have been undertaken in the sectors like expressways, roads, energy, transportation, education, urban rejuvenation etc.

Objective of Study:

The Objective of this paper is - (1) To show the present status of Infrastructure Development in Uttar Pradesh (2) To give suitable suggestion for the Development of Infrastructure in Uttar Pradesh.

Research Methodology

The present study "Issued and Challenges in Infrastructure Development in Uttar Pradesh" is base on secondary data efforts. Which was collected from various books Journals and Govt. Official website of Govt. of Uttar Pradesh.

Roads

The state offers an extensive road network which plays a significant role in the economic development and helps in encouraging trade thereby promoting wide markets of various products and enable exploitation of economies of scale. Uttar Pradesh is a land locked territory and road connectivity to all major commercial centers is first class. The state has set up Uttar Pradesh State Road Transport Corporation (UPSRT) to provide an economical, reliable and comfortable transport in the state.

The state has implemented various mega road projects under PPP such as 1047 Kms long 8-lane Ganga Expressway along the course of great river Gana, joining far east with national capital, a 165km long 6 lane Yamuna expressway to provide fast access to the city of Taj Mahal and a network of expressways are in the pipeline. An amount of Rs. 6775 crores has been earmarked in the state budget of FY2011-12, to be spent on construction and maintenance of roads and bridges which is around 17% higher than previous year.

Table 1.1
Road Infrastructure

Item	Achievement as on 31,3,2010 (km)
National Highways	6681
State Highways	7957
Major district roads	7307
Other district roads and village roads	329215
Total	351160

Source : PHD Research Bureau, complied from Planning Department, Government of Uttar Pradesh

Railways

The state has good coverage under railways and it is well connected to other parts of the country. Intra-state rail network is also well developed, connecting the towns and districts. The major sectors and industries served by the railways include agriculture, cement, coal, fertilizer and manufacturing. The capital of the state, Lucknow is the main junction for the Northern and North Eastern Railways.

Aviation

The state has excellent civil aviation infrastructure with six domestic airports located at Agra, Allahabad, Gorakhpur, Kanpur, Lucknow and Varanasi including two international airports, Chaudhary Charan Singh international airport, Lucknow and Lal Bahadur Shastri Airport, Varanasi. The state has also proposed to set up Taj international airport in the Delhi-NCR region.

Power

Power is one of the most important infrastructure ingredients for the development of an economy. The state has introduced its energy policy, 2009 which focuses on providing reliable, quality and affordable power to the dwellers of the state. Uttar Pradesh has a power deficit of 15%, which is significantly higher than the national power deficit of 8.5% during FY2010. Whereas the per capita power consumption stands at around 348 KWh, which is lower than the national level of around 779 KWh (FY2010). On the other hand, transmission and distribution loss posted by the state stands around 31%, which is comparatively higher than the national level of around 25% during FY2009.

The state has introduced Input Based Franchisee system in some selected cities to improve the power distribution system, which has already been implemented in Agra. An arrangement of Rs. 8227 crores has been made in the annual budget of FY2012 under various schemes for improving power scenario within the state. In addition to this, an amount of Rs.1267 crores has been earmarked under various schemes for increasing power production capacity within the state.

Table 1.2
Power generation in Uttar Pradesh

Total installed power generation capacity	10780.93 MW
State generated of which	45.2%
Coal based power	88.7%
Hydro based power	4.8%
Centre generated	43.1%
Private sector generated	11.66%

Source : PHD Research Bureau, Compiled from Monthly Review of Power Sector, as on 31 October 2011.

To facilitate the availability of power, the state government has introduced several power projects under PPP such as Bara thermal power projects, Jawaharpur thermal projects and Karchana thermal project.

Urban Infrastructure

The present state of urban infrastructure does not seem to be promising in the state as infrastructural facilities like drainage, sewerage, water supply, power, solid waste management and transportation systems are all inadequate to meet current needs. Out of 630 urban local bodies, only 55 towns have partial sewerage system in place. The state government has initiated number of schemes and programmes to provide a reasonable dwelling place to the people living below poverty line in the urban areas of the state.

Under the purview of guidelines of JNNURM(Jawaharlal Nehru National Urban Renewal Mission) and UIDSSMT (Urban infrastructure Development Scheme for Small & Medium Towns), the state government has allocated Rs. 39 crores for "Adarsh Nagar Yojana" in the annual budget of FY2012 with an objective to provide infrastructural facilities such as safe drinking water, sewerage, drainage, solid waste management, slaughter house, road, street lighting, and other qualitative civic amenities to the urban people of the transitional areas.

Telecom

According to TRAI, the total wireless subscriber base of Uttar Pradesh stands at 11.8 crores with a share of 13.6% in India's telecom wireless subscriber base. While the total wire line subscriber base of the state stands at 22.6 lakhs crores with a share of 6.6% in India's telecom wire line subscriber base.

Table 1.3
Telecom Subscription

Name of the region	Wireless subscriber	Wire line subscriber
U.P.(E)	67906053	1439290
U.P. (W)	50467231	830457
Total U.P.	118373284	2269747
India	865708379	34067337
Share of U.P. in India	13.6%	6.66%

Source : PHD Research Bureau, compiled from TRAI

Conclusion & Suggestion

Thus, from the above study, we can say that the infrastructure development in Uttar Pradesh is much developed. In the western Uttar Pradesh there is a tremendous growth in infrastructure (like Metro,Four lane Road, Power, Aviation and Real estate).

To ensure a better infrastructure facility in Uttar Pradesh, the researcher suggested to the govt. of U.P. to Promote P.P.P. (Public-Private-Partnership). The P.P.P. model play a vital role in the development of the infrastructure.

Some District /Parts of the Uttar Pradesh like eastern Uttar Pradesh is not successive growth due to lack of awareness/effective govt. Policy. The Power shortage in the eastern U.P. is the measure problems for the industrial development. Some of the district like Bhadohi, Maharjganj, Kushinagar, have not better rail/road network due to absence of better road network these region / district are less developed in the comparison of western Uttar Pradesh.

From the above concluded remarks the researcher give the following point for the effective infrastructure development in Uttar Pradesh.

(1) To encouragement and facilitation to Private sector for the development of industrial are and estates along with permission to Foreign Direct Investment in infrastructure development in Uttar Pradesh. (2) To promote P.P.P. (Public-Private-Partnership) for the development of infrastructure Uttar Pradesh (like eastern U.P. it is Must). Kushinagar District famous for their international Buddha Temple and the NRI/ Tourist comes to see that so, to provide a better road connectivity like 4-6 lane Roads, Power and a international Airport for attract to the investors to development for the district. (3) To make a special fund for the development of infrastructure in Uttar Pradesh. (4) To provide a safe and protective law and order in the Uttar Pradesh. (5) To attract other States investors / Industrialists/ Interprenures for the develop their own infrastructure in the State of Uttar Pradesh (like Gujarat, Maharasthra, Punjab). (6) To provide better railway connectivity to the district of Uttar Pradesh. Some of the District of U.P. is less developed due to lake of batter rail connectivity.

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Geographic And Product Diversification Facilitating An Improper Distribution Of Wealth

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Introduction

Despite the great diversity of natural resources and the potential to be a country with a strong economy, is a fact that Mexico has been dwindling. There are economic indicators such as the gross domestic product (GDP) apparently showing good results and positive annual growth in the country. However, if it is checked out the quality of life of the population, the reality is that no improvements are identified over time. On the otherwise, the National Consumer Price Index (Índice Nacional de Precios al Consumidor, INPC) as of April 2013 compared to April 2012, has shown an increase of 4.65%, higher percentage of 2013 against a salary increase for 2013 of 3.9% before inflation of 4.1%

Mexican companies play a crucial role to bring positive growth to the national economy and by logic correspondence it has improved the quality of life of the population. However, it has been identified major contradictions between these indicators because there are companies that contribute to 9% national GDP, lower wage increases to inflation and a basic basket at a high price. So there is concern to develop this article in order to show evidence of the unbalanced concentration of wealth in the country, to allow greater information, knowledge and sensitivity of both the citizens and the Mexican government towards the search for strategies to achieve equitable economic development and a real increase of national welfare.

The study is conducted through the analysis of the Mexican company Fomento Economico Mexicano SA (FEMSA) from the perspective of agency theory and External Governance Mechanism "Market for Corporate Control" better known as "Market Mergers and Acquisitions".

Background of the problem

Over time, through various research studies focused on market structures, it has been sought the welfare loss associated with the presence of monopoly power (Young, 1996), where one of the dimensions of the dynamic problem is the degree of monopoly entry barriers (Young, 1996). The results that have been generated determine that is potentially significant the welfare loss due to monopoly.

On the other hand, vertical acquisitions, which are the main external governance mechanism, better known as Takeover Market or Market Mergers and Acquisitions (Peng, 2010) have been considered as one of the first choices for growth firms, even studies have shown that firms with either resource constraint to generate innovation and development or to implement their innovations and new developments, are favored with vertical acquisitions, since the firms that have innovation but not have the resources for implementation, integrate with other firms that have the resource for this implementation but which has the restriction of not having innovation and developed required to stay in the market (Brocas, 2002).

Another aspect or situations that may favor the generation of mergers and acquisitions is the failure of internal governance mechanisms, as administrators identify an opportunity to reorder or differently deploy assets of a certain company. They are interested to create a new value and an alternative that is a Vertical Acquisition. Support logic can be identified from the perspective of agency theory (Peng, 2010).

Vertical integration as usual has been considered as a strategy for increasing the welfare of the company (Hamilton and Lee, 1986), though not necessarily so, as indeed may favor to increase market power. However, it is not conducive in reducing transaction costs and improving production technologies (Hamilton and Lee, 1986) and when it comes to the welfare of society, vertical integration favors higher goods and services, damages economy of grassroots and popular sectors, middle class and farmers, businessmen and traders who are in need to purchase raw materials at higher cost (Castañeda and Rodriguez, 2009).

Definition of the problem

The economic situation is becoming increasingly difficult for the population and is often heard on the news that the expected economic growths are not achieved according to the forecasts estimated by experts. The population on the other hand exposes more frequently than the price of basic goods has grown as ever and increasingly normal goods are acquired with effort, referring it to that of products with price elasticity very close to 0. The principle of substitution effect is not met in full. Thus, the demand will not decrease substantially. However, to obtain components of the basic basket should be a major release of cash from consumers, who for this article it is referred as consumers, to the Mexican population.

Meanwhile, when it comes to private enterprise, it is continually identified procurement events either horizontal or vertical, foreign direct investment (FDI), private sector participation in the national GDP to 9%. In short, there is a whole arena where different management teams can compete for the rights of ownership of corporate assets (Peng, 2010).

FEMSA in the Mexican national case, has been gaining increasing market strength through integration strategies that have enabled it to develop a cluster (Peng, 2010), so that has a range of products in the market that do not relate to each other, a strategy that provides competitive advantage and therefore a hierarchy such in the market over time will be of easier acquisition of new firms. However, the apparent success of the Mexican firm FEMSA contradicts the current reality of the Mexican people located across complicated economies.

Thus, there is the research question: Is the growth of FEMSA representing also an improvement in the economic and personal

Justification

In general, in view of all, being a worker in a private company of great reputation and excellent positioning, translates to a good quality of life of the worker, a good salary, secured economic stability and also personal stability. In Mexico, the talk of Fomento Economico Mexicano SA (FEMSA) is no exception, because it has FEMSA over time since its inception in 1890, transcending and diversify with particular strategies and cutting edge. Thus, FEMSA has managed to position itself in the Mexican population as one of the major undertaking, successful and also as a good career choice.

However, looking from a different perspective and to have an effect on this, focused specifically on FEMSA, what is the level of reality that exists in the perception of increased intrinsically expected welfare to work in the private sector?

For its part, gross domestic product per capita (GDP) of Mexico has shown positive growth over time (Fondo Monetario Internacional, 2013). However, and generally, for the country, have not been good economic growth expectations, the inflation rate annual increases year after year and it is known that the Mexican country is recognized as one that manages lower wages and salaries around the world (Fondo Monetario Internacional, 2013), in contrast to the National Index of Consumer Prices, showing high prices of the basic basket and with an increasing trend during the first half of 2013 (Instituto Nacional de Estadística y Geografía, 2013).

The growth that FEMSA presents is the result of strategies such as geographical and product diversification, which is strongly recognized as successful, causing the organization to achieve positioning increasingly strengthened. But it sounds incongruous and unreasonable that the welfare of their workers do not improve as the improvement of the organizational situation from the point of view of the business. Thus, it is fully justified the intention to make research relevant to the existence of economic and social well-being of workers and logical same increase reported by FEMSA, expected as a result of excellent performance of each of the operating units that make Fomento Economico Mexicano SA.

Research assumption

The growth from FEMSA presents strategies such as geographical and product diversification cannot be considered as an effective indicator directly proportional to increase personal and economic welfare of its workers.

Theoretical and conceptual framework

A. Vertical integration

Although the concept of mergers and acquisitions is used with some frequency, acquisitions are those that actually run the most. Acquisitions refer to the transfer of control of the assets, operations and management of one firm to another (Peng, 2010), so that the firm is transferred and it becomes an additional unit of the firm that receives the transfer.

There are three main categories of mergers and acquisitions: Horizontal, vertical and conglomerate, where horizontal acquisitions represent those performed by receiving transfer companies before the acquisition was a competitor in the same industry (Peng, 2010). Vertical acquisitions are those that enable firms to acquire either their suppliers, their customers (Peng, 2010) or allowing them to expand their operations through the implementation of activities traditionally undertaken by suppliers or distributors and finally, the clusters that are defined as transactions between firms belonging to unrelated products industries (Peng, 2010).

The vertical acquisitions are one of the first strategies that companies consider for the advancement of their firms (Patlán and Navarrete, 2009) and that could strategically gain allies equally efficient and competitive as any organization (Hamilton, 2003). Therefore, it becomes a competitive advantage for companies. It also represents a strategy to increase or decrease the level of control over the inputs and outputs level of the firm (Patlán and Navarrete, 2009).

Among the advantages of vertical acquisitions there is a decrease in transaction costs, ease of obtaining supplies, improve coordination and create greater barriers to entry (Patlán and Navarrete, 2009). Meanwhile, one of the disadvantages is the damage that is generated when an external agent makes decisions. This is due to the imbalance between the plants that now form one unit.

Finally, vertical acquisitions show as one of its main consequences a change in the market structure (Patlán and Navarrete, 2009) generating a heterogeneous distribution of wealth and unbalanced.

B. Agency theory

The separation of ownership from shareholders and managers control refers to what it is known today as the agency theory, which is the most dominant among the theories of Strategic Management (Vargas-Hernández, 2005). The generation of a set of rules (rules of the game) within firms, allows to develop rights and obligations of workers and to achieve the most optimal minimization of opportunism within the organization. This is a beneficial result of new forms of governance are implemented within companies (Vargas-Hernández, 2005).

However, it is inherently the presence of conflicts among the members of an agency relationship (principal-agent), since interest between them is not always focused towards a common goal. Thus, while stockholders (pricipals) are focused to achieve a maximization of shareholder value in the long term, managers (agents) can focus more to maximize their own power, income and benefits (Peng, 2010). Asymmetry of information, value-destroying acquisitions, and working consumption executive compensation are examples of agency conflicts.

To control the proliferation of agency problems, shareholders generate major institutional structures through mechanisms such as accountability, transparency and accountability (Vargas-Hernández, 2005) in such a way that there are present agency costs, arising from the cost of monitoring and control to the agents by the principal, the cost of bonding agents for residual waste and non-aligned interest (Peng, 2010).

C. Monopoly

It is a concession granted by the competent authority to a company to take advantage on an exclusive basis any industry or commerce (Diccionario de la Real Academia Española, 2013). Within the monopoly, the seller can deliver any package of goods or services to a market in hopes of better their quality (Anton y Biglaiser, 2012). Thus, when it is perceived a good quality and having no other alternatives to purchase at a different price, the consumer chooses to access the cash detachment demanded by the only company in the market, despite the increased cost of goods.

In this form, the monopoly generates less consumer surplus, hampers the consumer welfare and further damage crucial in the economy of the middle class, small and medium entrepreneurs and traders who in a forced way should acquire unique goods and services in the market (Castañeda and Rodriguez, 2009).

A concentration almost absolute of power in one or few actors who share the idea to preserve at any cost is the prospect of monopoly displayed by Castaneda and Rodriguez (2009). These analysts suggest a thorough analysis of Article 28 of the Mexican Constitution which states that: In the United Mexican States is prohibited the monopolies, therefore, the law severely punish any concentration or hoarding on one or a few hands of essential consumer goods (Constitución Política de los Estados Unidos Mexicanos, 2013). This is due to the negative effects that have been identified by the loss of welfare through monopolies (Yoon, 2004).

Fomento Economico Mexicano SA (FEMSA)

Fomento Economico Mexicano S. A. (FEMSA, 2013) is a company that manufactures and markets consumer products. It began operations in 1890 and throughout its career FEMSA has shown solid growth and an efficient performance. So that currently it is consolidated into four business units: Coca-Cola FEMSA, FEMSA Comercio, Strategic Procurement (Material Packaging and Logistics) and accounts for 20% of the shares of the Heineken group.

FEMSA has a presence in 9 countries, which are made up of Argentina, Brazil, Nicaragua, Costa Rica, Panama, Colombia, Philippines (newest merger, incorporated in January 2013) and Venezuela. Regarding the industries in which FEMSA has entered as part of its business strategy besides carbonated drinks can be considered as the main marketing activity, are Non-carbonated drinks (Jugos del Valle, Matte Leao, and Brisa bottled water), the dairy Industry (REMIL), packaging materials, distribution and logistics, beer and pharmacies.

With respect to growth of FEMSA within Mexican national framework from January 2011 began a series of mergers in the soft drink industry that caused it increasingly less the amount of bottling Coca-Cola system (Terra, 2013) so that by January 2013, they go from being 13 to 8 bottling Coca-Cola system. FEMSA (the case study) has merged with Grupo Tampico, Cimsa, Queretano Development, Yoli Group and regarding no carbonated drinks Jugos del Valle, thus having 57% stake in Coca-Cola system in Mexico, as well as being the largest public bottler of Coca-Cola products in the world in terms of sales (FEMSA, 2013).

Contextual Framework

The analysis will favor to show whether or not an effect directly is related to increased welfare of workers in FEMSA regarding geographic and product diversification. It also is showing itself to dimension to the activities of FEMSA related expansion in 2012, the first quarter of 2013 and the short-term projections already that are covered by the company. Likewise, economic indicators will be contemplated at the end of 2012 as well as experiences of employees and former employees of Coca-Cola FEMSA, plant Morelia.

Research Methods

The research undertaken was qualitative, since it is performed data analysis both of the Mexican economy and the expansion that has now presented FEMSA. Additionally, a series of interviews with current and former employees of Coca-Cola FEMSA plant Morelia, with the intent to identify and assess the economic and personal well-being of mind to work (agents). Therefore, the variables of this study, are defined as follows:

a. Independent variable: The growth from FEMSA presents strategies such as geographic and product diversification.
b. Dependent Variable: The increased personal and economic well-being of staff working in FEMSA.

Analytical studies were conducted focused on the economic indicators of the country with the intention of showing the current situation in the quality of life of the population, identifying those that at the simple view show advancing of very positive impact on the nation. However, if they are not properly observed, could be consistently incurring in a serious error to consider that the Mexican population actually moves favorably on a greater social economy when actually the opposite is true. Such it is in the case of GDP per capita, which actually shows growth or decline but only in production of goods and services from businesses regardless of income distribution. It is essential to identify the real benefit of the population and therefore, to cover part of the present objective.

With respect to FEMSA growth analysis, it is generated a compilation of information which clearly identified the geographical and product diversification that FEMSA has shown within the previously defined conceptual framework. It is done in such a way as to show any growth dimensions FEMSA has reached in recent years as well as its short-term planning in favor of continuing its growth.

Interviews were conducted with current and former employees of Coca-Cola FEMSA Morelia plant with the intention of identifying a more accurate and objective agency problems to which both the company (principal) and workers (agents) have had face. Thus, the principal-agent relationship continue taking place despite minimizing the effects of personal well-being generated due to this ambitious and challenging objectives FEMSA has proposed throughout its participation in the Mexican market with the intention to remain a highly competitive business.

Conducting interviews with current and former employees should not be considered as a casual situation. However, the cause of having established this frame was to reach to visualize if there are differences in the appreciation of both workers and former welfare workers perceived for them. In the case of the former employees, they could give a fuller appreciation since they have a clear perspective regarding the improvement or not for their welfare while worked for FEMSA compared to their experiences after they have left the company. It is important to highlight that the interviewed former workers left the company by choice, not considered themselves for the sample of respondents with the recessions of contracts cases as that would bias an overview of information and analysis from two viewpoints different than for purposes of present study it is not convenient to mix.

Results

When analyzing growth contrast between FEMSA and Country Economic indicators, it identifies that FEMSA growth indicators regarding the country economic indicators do not show a positive impact on the current socio-economic welfare of their workers. FEMSA continues to diversify in both vertical and horizontal forms inside and outside of its home country. Its recent acquisitions in January and May 2013 was relating to the business unit of FEMSA Commerce. Now FEMSA focuses on the pharmaceutical industry, which can be seen the presence of a monopoly, because when looking increasingly to integrate a great number of industries, there will be fewer competitors and accumulation of wealth in the same hands.

The units recorded at the end of 2012 in current prices and national currency for the Gross Domestic Product (GDP), are of 134,949.769 (Fondo Monetario Internacional, 2013), a variation of 6.66% in favor compared to 2011. Meanwhile, the percentage change in the inflation recorded at the end of 2012 was 4.11% (Fondo Monetario Internacional, 2013). As noted, the GDP growth rate in 2012 is higher than the inflation in 2012 so that what must be, from a macroeconomic approach, would see an increase in wages not less than inflation, however, the increase in wages for 2013 was only 3.9% (Comisión Nacional de los Salarios Mínimos, 2012).

Finally, regarding the National Consumer Price Index (Índice Nacional de Precios al Consumidor, INPC) as of April 2013 compared with April 2012, according to data from Instituto Nacional de Estadística y Geografía (2013) has shown an increase of 4.65%, which puts in manifesto that paid personnel by FEMSA for purposes of this research has not shown an improvement in their quality of life. Further, according to the figures of FEMSA showing growth during the last five years, it could be inferred that the concentration of wealth in Mexico is not still right for increased citizen welfare.

FEMSA, an organization that belongs to the Mexican private sector and has important contributions to national GDP exhibits in its statements of results that earnings are higher year after year. However, expectations of economic development continue to decline and the level of life of the Mexican population do not shows any significant improvement.

Conducted interviews were quite accurate in its results. It was very clear that the principal-agent relationship in Coca-Cola FEMSA is burdensome for operators and a major challenge for the principal. The staff personnel currently working for the company FEMSA describes several similar agency problems, among which are:

a. Salaries and wages are unsuitable or balanced with the workload.
b. Profit sharing is inconsistent with respect to the total income reported by the company.
c. Unbalanced workloads.
d. Asymmetry of information between managers and subordinates.
e. High rate of staff personnel turnover.
f. Little fairness in staff promotion processes.

Workers in Coca-Cola FEMSA plant Morelia generally perceive no improvement in their welfare. They are immersed in a work routine that helps them to meet their needs. Also, the strategies that the company has considered to continue its diversification generate significant dissatisfaction in its staff.

The former workers interviewed report an improvement in their welfare once they made the decision to leave FEMSA, which although does not mean that currently receive a higher income, they have provided evidence that there is a great difference between the agency problems that have subsequent faced in Principal-Agent relationships compared to those experienced in FEMSA. The work under labor pressure, not respecting the workday, inconsistency in information and payment regarding unbalanced workloads, are conditions experienced in FEMSA and subsequently presented a pro improving the quality of life for former FEMSA workers.

Conclusions

Mexican companies have great potential to develop successful strategies for expansion and diversification. Thus, that they can satisfy an international market with goods and / or services of high quality, a clear example is FEMSA. Currently it has presence in 9 countries. However, the welfare being perceived by the company FEMSA regarding increase in profits year after year is not reflected in their workers. Agency problems are obvious and widespread with greater impact on those concerning the economic well-being. Thus, the assumption of this investigation is met.

It is absolutely necessary the relevance, objectivity and authority not colluding to open the doors to the development of markets that enable competition, providing more control and restrictions on the generation of state monopolies and oligopolies. Finally, private corporatism when there exists tends to impose rules, violate consumer rights and / or agents and impoverish the population (Castañeda and Rodriguez, 2009).

In Mexico it is becoming more important and need the display to achieve a concentration of wealth with greater balance and therefore REAL growth of the national economy.

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Small And Medium Enterprises (SMEs) - Reality And Myths In India

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Introduction

SMEs are vital important in the development of any country especially developing country like India. Small and Medium Enterprises (SMEs) play a pivotal role and can be considered as a back bone of national economy. SMEs in emerging markets rely on more labor-intensive production processes than large enterprises, boosting employment and leading to more equitable income distribution. It is evident that nurturing the SMEs in any country would have fruitful results on the income generation and employment in an economy. The degrees to which the SMEs can flourish by overcoming obstacles are important for the expansion and upliftment of the economy.

In India, SMEs has made significant contribution to the economy:

1. Approximately 40% of the country's domestic production
2. Almost 50% of India's total exports
3. 45% of India's industrial employment
4. 35-40% to the GDP and account for more than 90% of all industrial enterprises in India.

SMEs are able to make their presence felt mostly because of the simple structure of an they can respond quickly to changing economic conditions and meet local customers' needs, growing at times into large and powerful corporations or failing within a short time of the firm's inception. To manage, recognize, and mitigate the credit risks at the earlier stages can be beneficial for financial institutions in identifying possible defaults of the enterprise and reduce losses incurred by the financial institutions. Similar views are shared by Small and Medium Business Development Chamber of India(SMBDCI) which states that Indian SMEs also play a significant role for nation development through high contribution to Domestic Production, Significant Export Earnings, Low Investment Requirements, Operational Flexibility, Location Wise Mobility, Low Intensive Imports, Capacities to Develop Appropriate Indigenous Technology, Import Substitution, Contribution towards Defense Production, Technology – Oriented Industries, Competitiveness in Domestic and Export Markets and Generate new entrepreneurs by providing knowledge and training. Rapid development and recent financial crisis in international financial markets lead regulatory bodies to establish some common supervisory standards for both financial institutions, providing credits to the firms, and non-financial companies, operating in a highly competitive environment, to accomplish the market discipline and effective global risk management all over the world. On this respect, Basel-II capital adequacy standards, was developed by the Basel Banking Committee on June 2004. The overarching goal for the Basel II

Framework is to promote the adequate capitalization of banks and to encourage improvements in risk management, thereby strengthening the stability of the financial system. At the same time, they also forced the SMEs to establish a sound corporate structure for financing their operations, reporting the financial results and managing their risks so as to install a healthy relationship with their creditors. SMEs in fact do have the potential and momentum to inculcate innovations, competition-both domestic and international, job creation and stability in an economy. From time to time Indian Government have realized the importance as well as the potential these SMEs can unfold and therefore has been quite proactive in protection and nurturing of these budding SMEs.

Objectives

1. To study the nature of SME sector in India.
2. To study the challenges faced by Indian SME.
3. To study the role of SME in India.
4. To understand the myths and reality of SME in India.

Definition of SMEs in India

According to the SME White book 2011-2012, the MSMEs (Micro, Small, and Medium Enterprises) sector has consistently registered higher growth than the rest of the industrial sector. A significant number of the MSMEs depend on the agriculture, horticultural, forest andnon-forest produce. They do generate much required employment and thus prevent mass migration from the rural to urban areas thus reducing the clutters and burden on Tier 1 and Tier 2 cities in India. According to the SME Times News Bureau (August 2012), "In India, SME definition is based not on number of employees but on amount of investment. Most Indian SMEs are labor-intensive and employ more than the prescribed workers as defined by European countries." Although European Union offers abundant fee concession to SMEs, but as the definitions of what constitutes an SME differs in

India and Europe; most Indian SMEs do not fall under the SME category as defined by European countries. Micro, small and medium enterprises as per MSME Act, 2006 are defined based on their investment in plant and machinery (for manufacturing enterprise) and on equipment for enterprises providing or rendering services. The defined limit on investment for enterprises to be classified as micro,small and medium enterprises is as follows:

Classification	Manufacturing Enterprises	Service Enterprises
Micro	Rs. 2.5 million / Rs. 25 lakh	Rs. 1 million / Rs. 10 lakh
Small	Rs.50 million / Rs. 5 crore	Rs. 20 million / Rs 2 crore
Medium	Rs 100 million / Rs 10 crore	Rs. 50 million / Rs 5 crore

Role of SMEs in Indian Economy

As evident by the information depicted by the Fourth All India Census of Micro, Small & Medium Enterprises 2006-07 in the food products and wearing apparel constitute the major production of India SMEs. As quoted by prominent SME magazine SME Mentor (Mar 14 2012) “The food processing industry has emerged as one of the sunrise sectors in India where small and medium enterprises (SMEs) could play a vital role in fulfilling various socio-economic objectives, such as employment generation and export promotion, besides fostering entrepreneurship. Despite several factors ranging from unrealistic government approach to dearth of skilled manpower marring the growth prospects of SMEs, entrepreneurs are showing their mettle by changing their business strategies”.The sector serves the vital function of linking the agricultural and industrial segments of the economy. There are certain measures taken by the government to promote as it calls for attention as this sector has the potential to transform the rural landscape of India by improving the value of agricultural produce, ensuring better remuneration to farmers, and at the same time, creating favorable demand for Indian agri-products in the world market.

Challenges of SMEs in India

Despite their high enthusiasm and inherent capabilities to grow, SMEs in India are also facing a number of problems like sub-optimal scale of operation, technological obsolescence, supply chain inefficiencies, increasing domestic and global competition, fund shortages, change in manufacturing strategies and turbulent and uncertain market scenario. To survive with such issues and compete with large and global enterprises, SMEs need to adopt innovative approaches in their operations. There are a certain setbacks which continue to hamper the growth of SMEs in India. To list a few:

Availability of Finance: To receive timely and adequate finance at the agreeable conditions is a tedious and cumbersome exercise for both established as well as budding SMEs. According to the Indian government survey, 90%of the total Micro units in India procure funds from friends, lenders and private lenders only. The occurrence of financial barriers, such as difficulty in acquiring the necessary funds to initiate or finance the project is a prime hurdle. As per Weaver and Pak, 1990; Kaleka and Katsikeas, 1995; Dicle and Dicle, 1992, Credit unworthiness and transaction costs are reported as major factors that reduce access to credit. There are certain measures taken to combat this problem.To quote the “SME world”, a prominent magazine for the Indian SMEs (January 2013),”.Ignoring the past, now SMEs will be getting collateral free loan under CGFTMSE Scheme upto Rs One Hundred Crores in all deserving cases and that loan procedures are now put on fast track unlike earlier cases.The loans are now available as subsidized credit and the terms of loans are equally made favorable for the promising as well as budding SMEs in India”. Basel II recommendation (which is been followed by RBI in Indian banks) creates a favorable condition for SMEs to flourish as it advocates modeling credit risk specifically for SMEs and encourages the bank to increase the percentage of SMEs managed as retail assets as much as possible, considering the regulatory limit. One of the main results of Basel II will be to motivate banks to update their internal systems and procedures in order to be able to manage SMEs on a pooled basis through the use of a scoring, rating or some other automatic decision system. These procedures will be important in managing SMEs as retail accounts and aid them in getting favorable credit from banks. According to survey by India Mart knowledge services, liquidly alone accounts for major hurdle for the Indian SMEs.

Access to Markets: The limited budgetsconstrain the SMEs to create market access through the marketing and promotions.Internet has in fact rendered a positive role and impact on Indian SMES as it has opened new ventures and expanded the horizons for SMEs. Online business to business (B2B) marketplaces could perhaps provide a viable solution to problem of creating of abundant market access as they promote instant access to global markets, market and industry knowledge in terms of the kind of products and services in demand. In recognition of the need for making finance available to Small and Medium Enterprises (SME) to tap/access capital markets, SEBI had decided to encourage promotion of dedicated exchanges and/or dedicated platforms of the exchanges for listing and trading of securities issued by SME. In continuation of the same and to facilitate listing of specified securities in the SME exchange, SEBI has specified the Model Equity Listing Agreement for execution between the issuer and the Stock Exchange, to list/migrate the specified securities on SME exchange, vide its circular dated May 17,2010.

Knowledge of primetechnology: is indeed the prime most component in competing in domestic markets as well as the international market. Though Indian government has set up a technology up gradation fund to help the SMEs lagging behind. It is imperative for SMEs to adopt information and communication technology applications. Lack of IT Support is big hurdle which hinders the SMEs in upgrading themselves to complete the global and domestic markets. It is expensive affair and SMEs are unaware of the latest soft wares and up gradations .There is also strong shortage of skilled IT and management personnel who can help SMEs to tide over problems.

Initiatives which are taken by Indian Government in order promote SMEs in India

One of the prominent steps in this regard is indeed setting up of MSME Act 2006.As a result of the globalization and liberalization of the economy, the units in the sector were increasingly called upon to face new and bigger challenges not only from MNCs etc. but also from bigger domestic players. Recognizing the dynamics of the new environment in which these units were operating, MSME now focuses on providing support in the fields of skill development, credit, marketing, technology and infrastructure. The emerging global trends and national developments have transformed the role of the organization into that of catalyst of growth of small enterprises in the country. Certain measures like Loan subsides for SMEs, Listing of SMEs on national stock exchange like NSE (titled EMERGE) and BSE were taken by Indian Government and SEBI in order to promote and safeguard the SMEs against staggering growth. According to the latest data quoted by "SME World" (January 2013),listings of SMEs on stock exchange is a step in the right direction for the SMEs who are looking to raise financial resources but have to struggle with apathy of the Indian Financial system as there is huge number of regulatory approvals. SEBI has ensured that the regulations to ensure smooth listing of SMEs on the exchange. There are major benefits that SMEs enjoy on SME exchange listing like minimum paid up capital, minimum subscription and no minimum years profit track record required for listing. There is a need for the listing of SMEs through over the counter exchange in India(OTCEI) as advocated by Banerjee , Ayan12, The efforts of reviving OTCEI is a robust equity program for SMEs and goes far into making India a strong capital market center and a global power to reckon with.SEBI has finalized and specified the Model Equity Listing Agreement for execution between the Small and Medium Enterprise (SME) issuer and the Stock Exchange. The Ministry of Micro, Small and Medium Enterprises (MSME) is operating a Scheme namely Credit Linked Capital Subsidy Scheme (CLCSS) for Technology Up gradation of Micro and Small Enterprises. The Scheme aims at facilitating Technology Up-gradation of Micro and Small Enterprises (earlier known as Small Scale Industries). The revised scheme aims at facilitating Technology Up gradation of Micro and Small Enterprises by providing 15% Capital Subsidy (limited to maximum 15.00 lakh) for purchase of Plant & Machinery. Presently, 884 technologies under 48 products/ sub-sectors have been approved under the scheme. Credit Guarantee Fund Scheme was setup for Micro and Small Enterprises with the objective of making available credit to SMEs. Loans up to Rs. 100 lakh without Collateral/ third party guarantees were provided to SMEs. The scheme is being operated by the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) set up jointly by the Government of India and SIDBI. The Micro and Small Enterprises –Cluster Development Programme(MSE-CDP) is being implemented for holistic and integrated development of micro and small enterprises in clusters through Soft Interventions (such as diagnostic study, capacity building, market development, export promotion, skill development, technology up gradation, organizing workshops, seminars, training, study visits, exposure visits, etc.), Hard Interventions (setting up of Common Facility Centers) and Infrastructure up gradation rate/upgrade infrastructural facilities in the new/existing industrial areas/ clusters of MSEs).

Conclusion

SMES have tough time rolling through the processes and circumstances is indeed a fact and that the government has taken many measures and actions to safeguard them. But the concern that " Is the over protection, leverage, extra subsides entrusted by the Government of India on Indian SMEs has really helped them to develop or in fact hampered their growth as in order to avail huge benefits, some of the SMEs make deliberated , calculated attempt to not to come out of their "SME status". Perhaps they become more contended in their cocoon of shields bestowed on them by the government. There are indeed many contradictory reports which highlighted the other aspect of the growth hindrance in SMEs. The World Bank report by International Finance Corporation "A market –Oriented Strategy for the Small and Medium Scale Enterprises" by Kristin Hallberg in fact highlighted that despite the success of SME strategies in a few countries, the majority of developing countries have found that the impact of their SME development programs on enterprise performance has been less satisfactory. Certain importance questions like

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A Micro Study On Role of Entrepreneurs In Developing Nation

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Introduction

Entrepreneurs play a vital role in the economic development of a country. Economic development of a country depends primarily on its entrepreneurs. An entrepreneur is often considered as a person who sets up his own business or industry. He has initiative, drive, skill and spirit of innovation who aims at high goals. The entrepreneur is the individual that identifies the opportunity, gathers the necessary resources and is ultimately responsible for the performance of the organisation. Entrepreneurs are action oriented, highly motivated individuals who take risks to achieve goals. Entrepreneurship is the purposeful activity of an individual or a group of associated individuals, undertaken to initiate maintain or aggrandize profit by production, or distribution of economic goods and services. Entrepreneurship is very often associated with adventurism, risk bearing, innovating creativity etc. It is concerned with making dynamic changes in the process of production, innovation in production, new usage for materials etc. It is a mental attitude to take calculated risks with a view to attain certain objectives. It also means doing something in a new and better manner.

There are evidences to believe that countries which have proportionately higher, percentage of entrepreneurs in their population have developed much faster as compared to countries which have lesser percentage of them in the society, discover new sources of supply of materials and markets and they establish new and more effective forms of organizations. Entrepreneurs perceive new opportunities and seize them with super normal will power and energy, essential to overcome the resistance that social environment offers. In sum, the concept of entrepreneurs is intimately associated with the three elements-risk bearing, organizing and innovating.

Objective of the study

- To identify the role of entrepreneurs.
- To define the entrepreneurs in economic development.
- To describe to scope of entrepreneur motivation.

Analysis

The entrepreneur is a person who is motivated to satisfy a high need for achievement in innovative and creative activities. His creative behaviour and innovative spirit which forms a process of an endless chain is termed as entrepreneurship. It is not enough for the entrepreneur to buildup the process, but equally important task for him is to manage the business. The entrepreneur enters at a transitional stage in which what is initially with innovation becomes a routine for him the transition from an entrepreneurship to management. Also, the emphasis switches from techniques and analytical methods to insight and to involvement with people. The entrepreneur perceives and exploits opportunity, and the subsequent steps necessary for organisation are pertinent, to management.

The entrepreneurship has been identified by many economists as a vital force in the process of industrialization in particular and economic development in general. Economic development essentially means a change. But, at the same time, it is very difficult to define precisely the pharse economic development. One should realise that the term economic development does not convey the idea of total development of the society. It only focuses itself on one aspect and one dimension of general development. Economic development can be defined as a move towards even more efficient and differentiated methods of supplying people with the requirements for survival and improvement. Many a times economic development is interpreted as synonymous with industrialization because it is viewed by the poor regions as a superior way of life. But economic development cannot be equated with industrialization. When economic development is anlaysed with the yard stick of extent of industrialization, it implicitly undermines the importance of primary sector like agriculture. The high dependency ratio of people on the primary sector is not the cause of underdevelopment but the consequence of it. These two sectors are complementary to each other in the development process. Moreover, economic development is much more than industrialization, it is an upward movement of the entire social system. Economic development includes increase in productivity, social and economic equalization, improved institutions, and attitudes, and a rationally coordinated system of policy measures, and removal of undesirable conditions and systems that perpetuated a state of underdevelopment.

The criterion of per capita income can be considered as a good indicator of regional variations in economic development. As the economic development is essentially a process the increase in per capita income should not appear as a temporary or short sustained phenomenon. Of course, the increase in per capita income can be considered as the primary criterion for measuring the extent of development in an area. There are other sub-criteria which have to be considered along with the primary criterion. The nature of distribution of income in the society is an integral part of the development. The secondary objectives like level of consumption, level of employment, diversification against concentration of the economy are also important. Economic development is not to be considered as an end in itself, but is a means to an end. Economic development is concerned, ultimately, with the achievement of better nourishment, better education, better health, better living conditions and an expanded range of opportunities in work and leisure for the people. Therefore, a rise in real per capita income is a relevant criterion to judge the extent of development in a region as it is a means for the attainment of desired standards in nourishment, education, health, and living conditions. The entrepreneur is the key to the creation of new enterprises that energise the economy and rejuvenate the established enterprises that make up the economic structure.

Entrepreneurial Motivation

Entrepreneur is human being who has his dignity, self-respect, values, sentiments, aspirations, dreams apart from economic status. Indeed, economic betterment and social upliftment motivates a person to distinguish from others. Entrepreneurship is to a great extent the product of motivation. Motivation refers to the inner drive that ignities and sustains behaviour to satisfy needs. Behaviour is always caused and it is not spontaneous. In other words, human behaviour is goal directed or directed towards satisfaction of needs. A person's behaviour is shaped by several sociopsychological factors such as his goals, education level, cultural background, work experience, etc. When a person, feels some need tension arises in his mind until the need is satisfied. The tension motivates him to take action. If the action is successful need is satisfied otherwise the person changes the action until the need satisfaction occurs.

A distinction may be made among three things: need, incentive and motive. This is to emphasise that any need present in the individual does not necessarily lead to action. The need has to be activated which is the function of incentive. Incentive is something which incites or tends to incite towards some determination. Thus, incentive is an external stimulus that activates need and motive refers to an activated need, and active desire or wish. But a better definition is to regard incentive as the outward stimulus for the motive to work. When a motive is present in a person, it becomes active when there is some incentive. Thus, any incentive has reference to (i) the individual and his needs which he is trying to satisfy or fulfill; and (ii) the organisation which is providing the individual with opportunity to satisfy his needs in return for his services. Thus, conceptual difference between motivation and incentive is that incentive is the means to motivation.

Conclusion

The true entrepreneur is one who is endowed with more than average capacities in the task of organizing and coordinating the various other factors of production. He should be a pioneer, a captain of industry. The supply of such entrepreneurship is however quite limited and all are not endowed with such talent. The modern entrepreneur is one who detects and evaluates a new situation in his environment and directs the making of such adjustments in the economic systems as he deems necessary. He conceives a new industrial enterprise, displays considerable initiative, grit and determination in bringing his project to fruition. Some people believe that entrepreneurs are born not made. In other words, business family background is essential to the success for entrepreneurs. Other people believe that entrepreneurs are made not born. According to some people, person with proper knowledge and skills acquired through education and experience can become successful entrepreneurs. In view of above controversy in order to understand clearly what it takes to be a successful entrepreneur, research institutions and behavioural scientists, through their research studies, have tried to resolve the controversy on what makes a successful entrepreneur.

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Green Marketing : Strategies And Challenges

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Introduction

What is green marketing? **Green marketing** refers to the process of selling products and/or services based on their environmental benefits. Such a product or service may be environmentally friendly in it or produced and/or packaged in an environmentally friendly way. The obvious assumption of green marketing is that potential consumers will view a product or service's "greenness" as a benefit and base their buying decision accordingly. The not-so-obvious assumption of green marketing is that consumers will be willing to pay more for green products than they would for a less-green comparable alternative product - an assumption that, in my opinion, has not been proven conclusively. While green marketing is growing greatly as increasing numbers of consumers are willing to back their environmental consciousnesses with their dollars, it can be dangerous. The public tends to be skeptical of green claims to begin with and companies can seriously damage their brands and their sales if a green claim is discovered to be false or contradicted by a company's other products or practices. Presenting a product or service as green when it is not called green washing.

Green marketing can be a very powerful marketing strategy though when it is done right.

Show potential customers that you follow green business practices and you could reap more green on your bottom line. Green marketing is not just a catchphrase; it is a marketing strategy that can help you get more customers and make more money. Only if you do it right. For green marketing to be effective, you have to do three things; be genuine, educate your customers, and give them the opportunity to participate.

Being genuine means that a) that you are actually doing what you claim to be doing in your green marketing campaign and b) that the rest of your business policies are consistent with whatever you are doing that's environmentally friendly. Both these conditions have to be met for your business to establish the kind of environmental credentials that will allow a green marketing campaign to succeed.

Educating your customers is not just a matter of letting people know you are doing whatever you are doing to protect the environment, but also a matter of letting them know why it matters. Otherwise, for a significant portion of your target market, it is a case of "So what?" and your green marketing campaign goes nowhere.

Giving your customers an opportunity to participate means personalizing the benefits of your environmentally friendly actions, normally through letting the customer take part in positive environmental action. Let us put the three essential elements of a successful green marketing campaign together by looking at an example. Suppose that you have decided that your business will no longer use plastic bags to wrap customer purchases. You know that the traditional plastic bag takes about one thousand years to decompose and want to do your part to stop the proliferation of plastic bags in landfills. You feel that this is the kind of environmental action that will be popular with potential customers and a good opportunity to do some green marketing.

To be genuine, you have to ensure that none of your business practices contradicts your decision not to use plastic bags. What if customers who happen to walk behind your store see an overflowing trash bin filled with paper, cardboard and plastic bottles? Obviously, he or she will decide that you do not care as much about recycling as you say you do in your green marketing. Not using plastic bags appears to be environmental no-brainer, but you will still need to educate your target market. Did you know that a single use plastic bag takes about one thousand years to decompose? I did not until I researched this article and probably a fair number of otherwise environmentally conscious people do not either.

In addition, the third element by shopping at your store, the customer is taking action to protect the environment by preventing at least one single use plastic bag from going into a landfill. It does not sound like much, but he or she gets the satisfaction of physically doing something that fulfills their beliefs. You can also reinforce your customers' green decisions and increase their participation by offering them additional related actions, such as buying cloth bags to use for future purchases.

Sometimes the best thing to do with a bandwagon is jump on it. You have to walk the talk and actually implement green policies and act in environmentally friendly ways for green marketing to work, but if you do, you have a powerful selling point with those who are environmentally conscious and want to act to make the world a greener place - a market that is growing exponentially right now

Need For The Study

People Want to Simplify

There are growing desires for purity and simplicity. Companies should respond with a move to simpler inputs, focused messaging, cleaner labeling, streamlined design and easy delivery of goods and services. Society is also demanding the removal of the layers of complexity – a change desired because it becomes easier to determine the true fit of products and services with personal values. This "less is more" trend is resonating with consumers everywhere – purity and simplicity is now the ultimate sophistication! Indeed some companies are doing this. For example, the beverage Innocent from the UK has an ingredient list of six items that are all recognizable fruits with no additives or preservatives. This is very different from typical soda or juice ingredient lists we commonly see in conventional stores.

Green is Recession Resistant

Green products still appear to maintain their value among shoppers despite the recession. According to a survey on "green" living from market research firm Mintel research firm Mintel 35% of U.S. consumers say they would pay more for environmentally-friendly products. Mintel found the green market outperformed the economy as a whole, growing more than six percent in 2008, followed by flat growth in 2009. The report also finds that the market took a hit from tighter consumer budgets due to the recession and trading down from high-end green brands. Even though the green market grew about 41% from 2004 to 2009, the report finds that the number of consumers purchasing all categories of green household consumer goods declined slightly in 2009; primarily due to the recession with household cleaners and paper products, still the most frequently purchased green products.

The Future is now

We find ourselves facing a complex set of problems that threaten the global population, economy and environment. The recession has sped up the inevitable evolution of our society and economic system that puts businesses and consumers in the driver seat of change. People are paying more attention to what they spend money on and demand a new definition of sophisticated value from companies. Those companies that cannot keep up with the progression of LOHAS consumer demand risk losing market share. Those companies that do respond will not only provide superior LOHAS products but also provide a better company overall for society and the planet. Together we can help transform the problems we have today to the solutions of tomorrow

Changes in Attitudes

Consumer studies show that eco-consciousness has not left the consumer mindset. According to a January 2009 consumer research report by the Natural Marketing Institute, 22% of US adults report buying fewer environmentally friendly products because of the economy. This is presumably because of price, not because they have stopped being interested in the product. The 2009 Conscious Consumer study by BBMG found that price and performance are still paramount. US consumers claim price (66%) and quality (64%) top their list of most important product attributes. But, health and environmental benefits have increased in importance since last year – including energy efficiency (47% in 2008, up 6%), locally grown or made nearby (32%, up 6%), all natural (31%, up 7%), made from recycled materials (29%, up 7%) and USDA organic (22%, up 5%). Despite the recessions, consumers are still very engaged in environmental protection. In addition, consumers recognize that many green activities such as energy and water conservation can protect their wallets and the planet. For example, Nielsen's Homes can service has recorded a sharp increase in consumer expenditures for canning supplies; up 15% year-on-year. This is highest, and driven by, LOHAS consumers, who increased purchase of canning supplies by 45%. Consumers may be growing their own vegetables and saving them for later, expressing local, organic, and practical desires. This reinforces the importance of knowing your consumer and targeting your marketing efforts to the highest value consumer. "The economic crisis has created a moment of reflection where consumers are redefining what truly matters and evaluating purchases based on both value and values," said Raphael Bemporad, co-founder of BBMG. "This is a moment for leadership. By delivering on the multiple dimensions of value – price, performance and purpose – brands will be able to close the green trust gap, weather the economic storm and thrive long term." Consumer attitudes have changed from eco-elitism to that of conservation and frugality and are looking at products and services and that will provide more bang for their buck.

Green to Save Green

Those in the spa world tend to be more affected by these downturns as disposable income becomes scarce and hard press eco initiatives to become more bottom-line oriented and based around cost savings. However, there are ways to adapt to the circumstances that will enhance your spa while maintaining your eco integrity. Here are some considerations that will help you save money and the planet simultaneously.

Energy Audit

This can be done yourself online or more extensively through a professional and will narrow down areas that you are most energy inefficient. Once you identify these areas, you will be able to address them accordingly. These can be as simple as turning off your lights and computer at night or managing water temperatures in pools or laundry more accurately to save you money.

Bulk Purchases

Bulk purchases provide more quantity at a more affordable price. This also reduces packaging thus reducing waste and cut delivery costs for you. Using refillable bottles in treatment rooms can reduce clutter and maintain similar products throughout the spa.

Use Durable Cups and Plates

Rather than plastic or paper, cups and napkins use washable cups, cloth napkins, and other reusable items. You may have to roll up your sleeves for cleaning but it will save on purchases and save additional money. On the other hand, you may want to do away with unnecessary items that were once considered mandatory. For example, a University in Philadelphia recently stopped using cafeteria trays and it has saved 3,000 gallons of water a month and thousands of dollars in annual water bills.

Creative Protocols

Design spa treatment protocols with conservation fixtures and client messaging that prevents water waste. Subtracting only 1 minute per hot shower can save $75 on utility bills and 2,700 gallons of water per year for a family of three.

Creative Outreach

Develop outreach that goes beyond the spa itself and penetrate larger community initiatives. Strong House Spa started the Cosmetic Recycling Program that allows clients to bring in old products that contain chemicals and get a $5 credit toward organic products. They recycle not only the containers but also the products inside as all cleansing products go to their local recycling company to wash their trucks. This is a great example of promoting green efforts that support parallel businesses.

Times are certainly changing. For companies to maintain their market position while keeping to green beliefs they must make adjustments that are relevant to spa goers and current circumstances.

Green Marketing Mix

Every company has its own favorite marketing mix. Some have 4 P's and some have 7 P's of marketing mix. The 4 P's of green marketing are that of a conventional marketing but the challenge before marketers is to use 4 P's in an innovative manner.

Product

The ecological objectives in planning products are to reduce resource consumption and pollution and to increase conservation of scarce resources (Keller man, 1978).

Price

Price is a critical and important factor of green marketing mix. Most consumers will only be prepared to pay additional value if there is a perception of extra product value. This value may be improved performance, function, design, visual appeal, or taste. Green marketing should take all these facts into consideration while charging a premium price.

Promotion

There are three types of green advertising: -

1. Ads that address a relationship between a product/ service and the biophysical environment
2. Those that promote a green lifestyle by highlighting a product or service
3. Ads that present a corporate image of environmental responsibility

Place

The choice of where and when to make a product available will have significant impact on the customers. Very few customers will go out of their way to buy green products.

Problems Of Green Marketing

Many organizations want to turn green, as an increasing number of consumers' ant to associate themselves with environmental-friendly products. Alongside, one also witnesses confusion among the consumers regarding the products. In particular, one often finds distrust regarding the credibility of green products. Therefore, to ensure consumer confidence, marketers of green products need to be much more transparent, and refrain from breaching any law or standards relating to products or business practices.

Conclusion

A clever marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product. Green marketing should not be considered as just one more approach to marketing, but has to be pursued with much greater vigor, as it has an environmental and social dimension to it. With the threat of global warming looming large, it is extremely important that green marketing becomes the norm rather than an exception or just a fad. Recycling of paper, metals, plastics, etc., in a safe and environmentally harmless manner should become much more systematized and universal. It has to become the general norm to use energy-efficient lamps and other electrical goods.

Marketers also have the responsibility to make the consumers understand the need for and benefits of green products as compared to non-green ones. In green marketing, consumers are willing to pay more to maintain a cleaner and greener environment. Finally, consumers, industrial buyers and suppliers need to pressurize effects on minimize the negative effects on the environment-friendly. Green marketing assumes even more importance and relevance in developing countries like India.

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Green Marketing : It's Implications In Industries

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Introduction

Green Marketing is an attempt to characterize a product as being environmentally friendly. In general green products are made from recycled content and/or designed for reuse, recycling, or remanufacturing. They are usually non-toxic, energy efficient, and durable. However, green is a relative term and depends on the individual situation.

"Green" issues have become increasingly important to corporate decision makers as firms face mounting public sensitivity, stricter regulation, and growing stakeholders pressures focused on presenting the natural environment. Increasing numbers of customers have also begun shifting their preferences to more environmentally friendly products and services.

People around the world are becoming more aware of the environmental stresses humans are placing on the planet. Newspapers, magazines, television, and other media feature wide coverage of environmental problems, whether they are local (e.g., depleted fisheries and air pollution) or global (e.g., ozone depletion and climate change). Many consumers now display concern about environmental deterioration. Increasingly often they ask how much impact a product will have on the environment during its lifespan or during its disposal. This is the major impetus for green products and green marketing. A closely related reason is the competitive advantage or sales potential that some corporations now see in green products.

What Is Green Marketing

According to the American Marketing Association, green marketing is the marketing of products that are presumed to be environmentally safe. Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Yet defining green marketing is not a simple task where several meanings intersect and contradict each other; an example of this will be the existence of varying social, environmental and retail definitions attached to this term. Other similar terms used are Environmental Marketing and Ecological Marketing.

Green marketing has proven to be a relatively recession-proof sector, with sustainable products continuing to register steady sales even during adverse conditions. This is attributed to the continuing adoption of green products and services among environmentally conscious consumers regardless of the economic scenario. The green marketing concept evolved more as a competition survival strategy and marketing tool for businesses and marketers during the recession period. This is attributed to the fact that green marketing emphasizes on avoiding wastage, make efficient use of available resources, and recycling. As a result, green marketing is finding high degree of acceptance among businesses with relatively tight marketing budgets. With consumer preferences skewing towards green products, several initiatives are being undertaken to promote green marketing. Internet is evolving as a popular medium for carrying out marketing of green messages, with print, television, mobile, and direct mail methods emerging as other popular approaches. Several online green shopping sites have emerged in recent years, providing assistance to web-savvy consumers in finding environment friendly products. Leading brands are orchestrating public relation partnerships and campaigns with eco-involved non-governmental organizations, such as Live Earth and World Wildlife Fund. In addition, retail displays and product packaging are using "green" ideas for proper visual communication.

Why Is Green Marketing Important

The question of why green marketing has increased in importance is quite simple and relies on the basic definition of Economics:

"Economics is the study of how people use their limited resources to try to satisfy unlimited wants." [McTaggart, Findlay and Parkin 1992, 24] Thus mankind has limited resources on the earth, with which she/he must attempt to provide for the worlds' unlimited wants. (There is extensive debate as to whether the earth is a resource at man's disposal, for example, see Gore 1993.) While the question of whether these wants are reasonable or achievable is important, this issue will not be addressed in this paper. In market societies where there is "freedom of choice", it has generally been accepted that individuals and organizations have the right to attempt to have their wants satisfied. As firms face limited natural resources, they must develop new or alternative ways of satisfying these unlimited wants. Ultimately green marketing looks at how marketing activities utilize these limited resources, while satisfying consumers wants, both of individuals and industry, as well as achieving the selling organization's objectives.

Green Marketing offers business bottom line incentives and top line growth possibilities. While modification of business or production processes may involve start up cost. It will save money in the long term. For example cost of installing solar energy is an investment in future energy cost savings. Companies that developed new products and services with environmental impacts in mind give themselves access to new markets. Substantially increase profits and enjoy competitive advantages over those marketing non-environmentally responsible alternatives.

Green Consumer

Green consumers are individuals who are careful to purchase products that are biodegradable, recyclable or otherwise safe for the environment. These individuals are sometimes called "tree huggers" because of their concern for preserving natural resources.

Understanding the demographics of green consumerism can help entrepreneurs explore the environmental market, and home in on likely prospects. Research has shown that green consumers:

- are sincere in their intentions, with a growing commitment to greener lifestyles;
- almost always judge their environmental practices as inadequate;
- do not expect companies to be perfect in order to be considered 'green'. Rather, they look for companies that are taking substantive steps and have made a commitment to improve.

However, they also:

- tend to overstate their green behaviour, including the number of green products they actually use;
- want environmental protection to be easy, and not to entail major sacrifices;
- tend to distrust companies' environmental claims, unless they have been independently verified;
- lack knowledge about environmental issues, and tend not to trust themselves to evaluate scientific information about environmental impacts. However, at the same time they are eager to learn, and this means that consumer education is one of the most effective strategies that entrepreneurs can use.

The most responsive age group tends to be young adults, many of whom are influenced by their children. In addition, women are a key target for greener products, and often make purchases on behalf of men.

The best 'green' customers are people with more money to spend. As a result, the most promising products for 'greening' tend to be at the higher end of the market. The most promising outlets for green products are retail stores frequented by better-off shoppers.

In general, green consumers have the education and intellectual orientation to appreciate value; they will understand evidence that is presented in support of environmental claims.

In the US, children and teens are generally more concerned than adults about the environment, and are more knowledgeable about green alternatives. Increasingly, they influence their parents' purchasing decisions. Equally importantly, millions of them will reach adulthood in the next decade, and gain purchasing power of their own.

At the opposite end of the age spectrum, US consumers born before the 1950s are the least 'green'. As their numbers diminish, their share of consumer purchases will dwindle.

In Canada, children and parents alike tend to have strong environmental concerns. Older people, too, tend to be active green purchasers.

Green Marketing & Entrepreneurship

Sustainability is the new buzzword in business today and developing business skills in sustainability has become essential for obtaining employment in many industries.

The purpose of the program is to provide the necessary skills for starting or enhancing a green business. This 3-day workshop will introduce the concepts of sustainability and provide an overview of current sustainability-related jobs in the market. Personal assessments will determine the best fit in the sustainability market based on financial need, entrepreneurial skills, and personality assessment. Participants learn about business plans and develop their own business plan. By the end of the workshop, participants will have a sound understanding of the small business model, improved work skills, increased knowledge about financial, operations, and marketing planning, value-add skills for employer, and tactical execution of a business plan.

Four P's Green Marketing

When companies come up with new innovations like eco friendly products, they can access new markets, enhance their market shares, and increase profits. Just as we have 4Ps product prices, place and promotion in marketing, we have 4ps in green marketing too, but they are a bit different.

Green Product

The products have to be developed depending on the needs of the customers who prefer environment friendly products. Products can be made from recycled materials or from used goods. Efficient products not only save water, energy and money, but also reduce harmful effects on the environment. Green chemistry forms the growing focus of product development. The marketer's role in product management includes providing product designers with market-driven trends and customer requests for green product attributes such as energy saving, organic, green chemicals, local sourcing, etc., For example, Nike is the first among the shoe companies to market itself as green. It is marketing its Air Jordan shoes as environment-friendly, as it has significantly reduced the usage of harmful glue adhesives. It has designed this variety of shoes to emphasize that it has reduced wastage and used environment-friendly materials.

Green Price

Green pricing takes into consideration the people, planet and profit in a way that takes care of the health of employees and communities and ensures efficient productivity. Value can be added to it by changing its appearance, functionality and through customization, etc. Wal Mart unveiled its first recyclable cloth shopping bag. IKEA started charging consumers when they opted for plastic bags and encouraged people to shop using its "Big Blue Bag".

Green Place

Green place is about managing logistics to cut down on transportation emissions, thereby in effect aiming at reducing the carbon footprint. For example, instead of marketing an imported mango juice in India it can be licensed for local production. This avoids shipping of the product from far away, thus reducing shipping cost and more importantly, the consequent carbon emission by the ships and other modes of transport.

Green Promotion

Green promotion involves configuring the tools of promotion, such as advertising, marketing materials, signage, white papers, web sites, videos and presentations by keeping people, planet and profits in mind. British petroleum (BP) displays gas station which its sunflower motif and boasts of putting money into solar power. Indian Tobacco Company has introduced environmental-friendly papers and boards, which are free of elemental chlorine. Toyota is trying to push gas/ electric hybrid technology into much of its product line. It is also making the single largest R&D investment in the every-elusive hydrogen car and promoting itself as the first eco-friendly car company. International business machines Corporation (IBM) has revealed a portfolio of green retail store technologies and services to help retailers improve energy efficiency in their IT operations. The center piece of this portfolio is the IBM Sure POS 700, a point-of-sale system that, according to IBM, reduces power consumption by 36% or more. We even see the names of retail outlets like "Reliance Fresh", Fresh@ Namdhari Fresh and Desi, which while selling fresh vegetables and fruits, transmit an innate communication of green marketing.

Interestingly, green marketing continues to be an issue of global interest. In fact, Google Trends reports that, on a relative basis, more searches for "green marketing" originated from India than from any other country. Rank Country 1. India 2.UK 3.US 4.Thailand 5.Australia 6.Canada 7.China

Companies Using Green Marketing

There are two types of firms one who claims that their products are green i.e. the product itself is eco friendly. Others are those companies which may promote itself as environmentally friendly but the product being sold may not be - such as when a telemarketer donates a portion of its revenues to progressive causes, even though it makes no claim or effort to assure that the product being sold is environmentally friendly.

Judging by the number of large, small and mid-size Indian companies that are setting the trend with green initiatives, India is serious about building environmental sustainability into her business practices

Example 1: Best Green IT Project: State Bank of India: Green IT@SBI

By using eco and power friendly equipment in its 10,000 new ATMs, the banking giant has not only saved power costs and earned carbon credits, but also set the right example for others to follow.

SBI is also entered into green service known as "Green Channel Counter". SBI is providing many services like; paper less banking, no deposit slip, no withdrawal form, no checks, no money transactions form all these transaction are done through SBI shopping & ATM cards. State Bank of India turns to wind energy to reduce emissions:

The State Bank of India became the first Indian bank to harness wind energy through a15-megawatt wind farm developed by Suzlon Energy. Thewind farm located in Coimbatore uses 10 Suzlon wind turbines, each with a capacity of 1.5 MW. The wind farm is spread across three states – Tamil Nadu, with 4.5 MW of wind capacity; Maharashtra, with 9 MW; and Gujarat, with 1.5MW. The wind project is the first step in the State Bank of India's green banking program dedicated to the reduction of its carbon footprint and promotion of energy efficient processes, especially among the bank's clients.

Example 2: Lead Free Paints from Kansai Nerolac

Kansai Nerolac Paints Ltd. has always been committed to the welfare of society and environment and as a responsible corporate has always taken initiatives in the areas of health, education, community development and environment preservation. Kansai Nerolac has worked on removing hazardous heavy metals from their paints. The hazardous heavy metals like lead, mercury, chromium, arsenic and antimony can have adverse effects on humans. Lead in paints especially poses danger to human health where it can cause damage to Central Nervous System, kidney and reproductive system. Children are more prone to lead poisoning leading to lower intelligence levels and memory loss.

Example 3: Indian Oil's Green Agenda Green Initiatives

- Indian Oil is fully geared to meet the target of reaching EURO-III compliant fuels to all parts of the country by the year 2010; major cities will upgrade to Euro-IV compliant fuels by that time.

- Indian Oil has invested about Rs. 7,000 crore so far in green fuel projects at its refineries; ongoing projects account for a further Rs. 5,000 crore.
- Motor Spirit Quality Improvement Unit commissioned at Mathura Refinery; similar units are coming up at three more refineries.
- Diesel quality improvement facilities in place at all seven Indian Oil refineries, several more green fuel projects are under implementation or on the anvil.
- The R&D Centre of Indian Oil is engaged in the formulations of eco-friendly biodegradable lube formulations.
- The Centre has been certified under ISO-14000:1996 for environment management systems.

Green Fuel Alternatives

In the country's pursuit of alternative sources of energy, Indian Oil is focusing on CNG (compressed natural gas), Auto gas (LPG), ethanol blended petrol, bio-diesel, and Hydrogen energy.

Example 4: India's 1st Green Stadium

The Thyagaraja Stadium stands tall in the quiet residential colony behind the Capital's famous INA Market. It was jointly dedicated by Union Sports Minister MS Gill and Chief Minister Sheila Dikshit on Friday.

Journal of Engineering, Science and Management Education Dikshit said that the stadium is going to be the first green stadium in India, which has taken a series of steps to ensure energy conservation and this stadium has been constructed as per the green building concept with eco-friendly materials.

Suzlon Energy

The world's fourth largest wind-turbine maker is among the greenest and best Indian companies in India. Tulsi Tanti, the visionary behind Suzlon, convinced the world that wind is the energy of the future and built his factory in Pondicherry to run entirely on wind power. Suzlon's corporate building is the most energy-efficient building ever built in India.

Conclusion

Green marketing is still in its infancy and a lot of research is to be done on green marketing to fully explore its potential. If today's successful marketing is about appealing to personal values and delivering consumer empowerment, then surely the time is right to inject sustainable development into the marketing mix to help address some of the realistic issues currently facing our planet. Green marketing methods produce highly effective results. Now this is the right time to select "Green Marketing" globally. It will come with drastic change in the world of business if all nations will make strict rules because green marketing is essential to save world from pollution. From the business point of view because a clever marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product. In future only those companies will reap the greatest reward that innovates with new products, materials, technologies which are eco-centric and address the challenge by walking their talk.

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Green Marketing In The Housing Sector

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Introduction

The construction industry is a major contributor to the country's GDP (8% in FY12) and one of the largest employment generators currently employing around 33 million people. While the Indian economy grew by 5% in FY13 as compared to 6.2% in FY12, the construction industry grew by 5.9% in FY13 against 5.6% in FY12. According to a PricewaterhouseCoopers Report, India is expected to emerge as the world's 3rd largest construction market by 2020 and the market for real estate construction segment in India is likely to aggregate to approximately US$ 380 billion over the five year period, 2012 to 2016.

This growth will put huge pressure on different resources such as energy, water, materials, and will have a noticeable impact on the environment. Given the fact that there is a growing short supply of resources and environment pollution concern, the construction sector is increasing its focus on 'green buildings as a solution'. This has resulted in India emerging as one of the world's top destinations for green buildings. India has implemented a number of home-rating schemes and building codes, which open up a wide range of opportunities in construction, architecture and engineering design, building materials and equipment manufacture.

The concept of sustainable development can be traced to the energy (especially fossil oil) crisis and the environment pollution concern in the 1970s. The green building movement in the U.S. originated from the need and desire for more energy efficient and environmentally friendly construction practices. There are a number of motives to building green, including environmental, economic, and social benefits. However, modern sustainability initiatives call for an integrated and synergistic design to both new construction and in the retrofitting of an existing structure. Green building brings together a vast array of practices and techniques to reduce and ultimately eliminate the impacts of new buildings on the environment and human health. It often emphasizes taking advantage of renewable resources, e.g., using sunlight through passive solar, active solar, and photovoltaic techniques and using plants and trees through green roofs, rain gardens, and for reduction of rainwater run-off. Many other techniques, such as using packed gravel or permeable concrete instead of conventional concrete or asphalt to enhance replenishment of ground water, are used as well.

Building green necessitates joint efforts from all stakeholders, be it the government or the prospective home buyers or the construction industry. The government will have to frame policies giving subsidies to all aspects of green building construction and amending the taxation system to give incentives to green building constructions. Interactive platforms should be created to fill in the gap between government policies, home buyers needs and woes of construction industry to develop models of participatory natural resources management. Intervention at different levels is required so that the policy on environment and community participation move in tandem towards a common national objective.

Objectives

1. To assessthe scenario of green buildings in India.
2. To find out the rating systems for green buildings in India.
3. To assess the benefits of green buildings.
4. To give suggestions to market green buildings

Research Methodology

(a) Coverage of the Study: This research paper is restricted to study of green buildings and its marketing.

(b) Source of Data: The study is based on secondary data. The secondary data sources include research articles, journals, survey reports and websites.

(c) Data Analysis: Analysis of data and information collected from published sources were made keeping the objectives of the study in mind.

Significance of the Study

In the last decade, the country has witnessed a significant growth in demand for housing, driven by growth in income and population; this has stimulated growth of the real estate sector. Typically, commercial and residential construction accounts for 40 to 45% of spend on construction in India.

An important factor driving the attractiveness of the Indian market for housing is the growing level of urbanisation in India. Urban India accounted for 31.2% of the population in 2011, up from 27.8% in 2001. This implied that the number of urban households grew by over 25 million during that decade. Consequently, this has spurred demand for new housing as well as upgrades to the existing urban infrastructure. To cope with this pressure of growing demand 'going green' seems to be the only possible way of achieving sustainable development.

Green Building: Concept

Green Building can be defined as a building which uses less water, optimises energy efficiency, conserves natural resources, generates less waste and provides healthier spaces for occupants, as compared to a conventional building. The green building uses processes that are environmentally responsible and resource-efficient throughout a building's lifecycle: from planning to design, construction, operation, maintenance, renovation, and demolition.

Key components and applications of Green Buildings

Green building applies five key components to traditional building practices for improving the comfort of the occupant and the impact of the space on the occupant, the surrounding community, and the environment.

The five key concepts are as follows:

- Site and Community Impact (erosion, storm water, land use, social impact, air pollutants outside the home, global community impact)
- Water Conservation (includes irrigation, plantings, potable and treated water used)
- Energy Efficiency (energy consumed in the operation and occupation of the building)
- Resource Efficiency (includes concepts of durability, embodied energy, recyclability, lifecycle analysis)
- Indoor Environmental Quality (includes environmental tobacco smoke, materials with toxic chemicals, design for effective ventilation, daylight)

Green buildings are costly – a myth

There is general misconception that green buildings are costly. Constructing a green building by design is not at all costly. People think that green building means VOC paints & coatings, high performance glass, wall & roof insulation, certified wood, bamboo based furniture, energy-efficient lighting and HVAC equipment, control systems, all of which are expensive, and renewable systems, such as solar PV, windmill, which are all expensive.

However, many of the recent green building projects certified by IGBC have demonstrated that cost of green building design and construction attracted insignificant incremental costs and few other projects have actually demonstrated leadership in bringing down the construction costs lower than conventional building's first cost. Cash savings that take place through these green buildings not only compensate for the initial cost increment, but provide benefits to the occupants throughout the lifetime of the building.

Indian Scenario

From a modest beginning of 20,000 sq. ft of green built-up area in the country in 2003, today India has over 1.34 billion sq. ft of green building footprint. With 307 certified green buildings and over 1,950 registered buildings, the green footprint keeps on increasing with every passing day. Today, after a decade, the scenario seems definitely more greener. 'Green Building' is merely not a buzzword, but a commercial concept.

Looking at the current scenario it is evident that smart, sustainable green buildings have become a necessity in today's life to protect our environment. Green buildings may require incremental investment which pays back for itself within a span of three to four years.

Planning at the concept design stage helps in managing the investment effectively. In recent past number of rating schemes and building codes has been promoted and implemented, which has opened up a wide range of opportunities in construction, architecture and engineering design, building materials and equipment manufacture. Green buildings are gaining ground in the real estate market. Every construction should be 'Green Building'.

Green Building Rating Systems in India

In India, there are predominantly two rating systems - LEED and GRIHA. LEED and GRIHA have a predefined set of criteria and there are points for each criterion. Buildings are required to fulfill the defined criteria and achieve a certain number of points to be certified. In addition, we also have the Energy Consumption Building Code (ECBC) and the National Building Code (NBC) which provide guidelines on the energy consumption of buildings. All buildings in India need to comply with the guidelines set up by ECBC and the NBC.

Leed

The United States Green Building Council (USGBC) is known best for its initiative called LEED (Leadership in Energy and Environmental Design), a globally acclaimed green building rating system. LEED is an internationally recognized green building certification system, providing third-party verification that a building or community was designed and built using strategies aimed at improving performance across all the metrics that matter most: Energy savings, water efficiency, CO2 emissions reduction, improved indoor environmental quality and stewardship of resources and sensitivity to their impacts. The Indian Green Building Council (IGBC) has adapted LEED system and has launched LEED India version for rating of new construction.

LEED Criteria

Projects that are being assessed for LEED Certification earn points on the basis of six broadly defined LEED credit categories. Projects are rewarded LEED points for complying with these specific green building criteria as well as satisfying particular pre-requisites within the categories.The six LEED categories comprise of -

- Sustainable Sites
- Water Efficiency
- Energy & Atmosphere
- Materials & Resources
- Indoor Environmental Quality
- Innovation in Design

LEED Certification

A point-based system, LEED Certification is available across 4 levels. Based on the number of points that a project earns, the relevant LEED Certification is conferred.

Certified :	26-32 points
Silver :	33-38 points
Gold :	39-51 points
Platinum :	52-69 points

Griha

GRIHA (Green Rating for Integrated Habitat Assessment) is the National Rating System of India. Conceived by the Centre for Research on Sustainable Building Science (CRSBS), TERI (The Energy and Resources Institute, New Delhi) and developed jointly with the Ministry of New and Renewable Energy (MNRE), Government of India, it is a green building 'design evaluation system'. GRIHA currently operates under ADARSH (Association for Development and Research on Sustainable Habitats) and is supported by the National Advisory Council (NAC) and Technical Advisory Committee (TAC).

The role of GRIHA is to -

- Evaluate the environmental performance of a building over its entire life cycle
- Provide a definitive standard for what constitutes a green building
- Follow best practices along with national and international codes applicable to the green design of buildings
- Achieve efficient resource utilization
- Enhance resource efficiency and better quality of life in buildings

GRIHA Criteria

- The set of 34 GRIHA criteria are broadly classified into four categories -
- Site Selection and Site Planning
- Building Planning and Construction
- Building Operation and Maintenance
- Innovation

These four categories are further classified into mandatory, optional, applicable and selectively applicable.

GRIHA Certification

All buildings in the design stage, except for industrial complexes and housing colonies, are eligible for certification under the TERI GRIHA system as follows

Points Scored	***Rating***
50 – 60	★
61 – 70	★★
71 – 80	★★★
81 – 90	★★★★
91 – 100	★★★★★

Benefits of Green Buildings

On a broader scale, this system, along with the activities and processes that lead up to it, will benefit the community at large with the improvement in the environment by reducing GHG emissions, reducing energy consumption and the stress on natural resources.

Some of the benefits of a green design to a building owner, user, and the society as a whole are as follows:

- Reduced energy consumption without sacrificing the comfort levels
- Reduced destruction of natural areas, habitats, and biodiversity, and reduced soil loss from erosion etc.
- Reduced air and water pollution (with direct health benefits)
- Reduced water consumption
- Limited waste generation due to recycling and reuse
- Reduced pollution loads
- Increased user productivity
- Increased day lighting
- Conservation of natural resources
- Enhanced image and marketability of the dwelling unit

Marketing of Green Buildings

A common grouse among many property developers is that unless the client is willing to pay a premium on green developments, building green would be a pointless exercise because all the benefits of the green building are enjoyed by the buyers and in many cases they may not even realize they are occupying a space that is more efficient than many of the other developments around. In such cases there is absolutely no value creation for the developer in spite of all the additional effort and expenditure put in to the project.

Some studies have shown that green building space commands a premium of at least 6% as compared to conventional ones. In the Indian scenario there is no evidence of buyers willing to pay a premium for such a space but this is only because real estate developers have still not figured how to communicate the value of certified green developments to home buyers who are completely unaware of the concept. Green homes can be marketed in the following ways by the builder:

Do the math for buyers

In today's economy, cost savings is by far the number-one feature when selling green. If green homes save homeowners money in monthly utility costs, the builder should play it up tactically during the selling process by "doing the math" for potential buyers. This can be done by providing a side-by-side cost comparison of energy-efficient homes versus a conventional home. The point has to be driven that initial price may be a little higher, but it's going to cost less to live in green homes.

Avoid talking payback periods

Many builders focus on the payback period for the systems and features of green homes which can prove detrimental if payback periods are longer. Instead, discussion can be framed in terms of ongoing, monthly savings, using today's low interest rates and high utility rates. Calculate the monthly interest rate on the 'premium' one has to pay to buy green home and compare it with the savings in monthly utility bill by occupying a green home to show how the home owner is cash flow positive, right from the first month.

Match the message to the green buyer type

Green homes maymeans different things to different people and builders have to be able to quickly identify what's truly important to the individual buyer. Some people just want green products where as others want to create a healthy home for their family. Based on the needs of the consumer, the builder has to craft his presentation to meet the needs of varied homebuyers.

Overcome key objections to green

The builder canavoid most objections by being proactive at explaining and demonstrating the benefits of green homes through a detailed presentation and model home demonstration. However, in case the buyers have any objections or doubts, the builder should be empathetic and listen carefully. He should then respond with the best, pre-planned answer based upon their reason for asking. The best way to settle queries is either a third-party testimonial statement or research statement, or both. He should make sure that he has answered all queries correctly by taking a confirmation from the prospective buyer.

Emphasize the health benefits

Considering that kids spend as much as 90 percent of their time indoors and that indoor air quality is often worse than outside, and there's no wonder why many home buyers rank health and safety benefits as top considerations when shopping for a new home. The builders have to capitalise on the health benefits of green homes and make a strong connection for consumers in their presentations by giving examples like use low-VOC paint, better ventilation, more natural light, better air quality.

Prepare Owner's Manual Or A Homebuyer's Guide Even a Rs. 1,000 worth mobile phone comes with a detailed manual but a home worth lakhs comes with no information whatsoever on how to use the building over its lifetime. Builders of green homes should come out with an owner's manual or guide which should contain complete details of certification, warranty, building material used, systems and their management, waste management, do's and don'ts, emergency contacts and so on.

On-line support

Assistance to home buyers could be provided through various measures such as web marketing, social media, direct interaction with builders and helplines.

Marketing and Promotion:

Since home buyers are generally local, use local media like exhibitions and local TV channels to spread awareness about green buildings and their benefits. A ready list of FAQs with credible and believable facts should be published as well as addressed while selling through personal contact. Real estate fairs and exhibitions may be the best medium that will help effective marketing of green building because of personal rapport and tremendous potential for direct seller buyer interaction and clarification of queries and doubts. This will bring about greater believability, and hence response, instead of being seen as a regular marketing hype.

Conclusion

Green buildings and the concept of smarter living offers tremendous opportunity for overhauling an average Indian's lifestyle. The day is not very far, when going green and constructing green buildings will be the norm of the day and green buildings will play a catalytic role in addressing issues of climate change. People should be sensitised as to how green technology will benefit the middle class. The green technology movement will become sustainable only if it reaches the rural population.

As the general public becomes more aware of the benefits of green buildings, developers should get creative and find new ways to brand, market and sell green buildings, hence creating a conducive atmosphere for the sector to grow exponentially.

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Green Marketing : Consumer Buying Behaviour To Procure Eco-friendly Products

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Abstract

Green concept and green marketing had an exponential growth over the last decades and it had a significant impact on the market and environment globally. The study brings out green product buying behavior among consumers. The main objective of this study is to know the respondents buying behaviour to procure green product, to identify the level of knowledge about green products and its impact. The research design used in this study is descriptive research design. Data was collected by structured questionnaire with four point rating scale. Secondary data were collected from the available literature sources. For distribution of questionnaire to the respondents snowball sampling method was used and to collect the respondents opinion. After collecting the data from the respondents, it was analyzed using adequate statistical test.

Keywords : Green Products, Consumer Byuing Baviour, Green Markeying

Introduction

Large scale of industrialization all over the world gives the rapid growth in market which result increase of consumption all over the world. This in turn has resulted in deterioration of the environment due to exploitation of natural resources which cause pollution, global warming, acid rain and other negative impact on human health and welfare. Leading one of these problems is environmental problems that affect all living beings negatively. These aforementioned environmental problems have started to come to the agenda more and more in the recent years and people have started to talk these negativities. Consumers now have worries about the future of the world and as results of this mostly prefer environment friendly products. In return to these attitudes of the consumers, companies have started to form their marketing strategies so as to appeal increasing awareness of this environment-friendliness. These marketing strategies, named as green marketing, have caused companies to adopt green policies in their pricing, promotion, product features and distribution activities. Taking into consideration that companies are socio-economic entities, it can't be expected that they remain unresponsive to the "Environmental Awareness" that may direct consumer behaviors. Particularly marketing managers encounter with consumers sensible to environmental issues. This paper is about the effect of consumer purchasing behaviour towards eco friendly products. The green purchasing is the meaning of green marketing or environmental marketing. One of the most striking features of this marketing and these activities designed to generate and facilitate any exchanges intended to satisfy and meet the human needs and wants.

Green Marketing

Green marketing is designed to satisfy the human wants with minimal detrimental impact on the natural environment. Most of the companies are objectives in an environmentally responsible fashion. Before two decades, companies were not focused to avert the environment, they manufactured the product which gave more profit to the company, and even manufacturing process or products affects the environment. After the intervention and painful effort of societal activists and government, companies changed their policies. But recently companies are trying to create a brand name by using words like Green Manufacturing Process, Eco-friendly Product, Recyclable, etc. Majority of the customers are intended to buy or consume green products by keeping in the mind, sustainability of the future generation. Responsibility of the government, industry, societal activists and academician are to impart knowledge and promote the green product purchasing behaviour through various Public awareness camps, Conference, Mass advertisement, Special programs and negative reinforcements to companies or customers for buying behaviour modification. The green marketing has evolved over a period of time. According to Peattie (2001), the evolution of green marketing has three phases. First phase was termed as "Ecological" green marketing and during this period all marketing activities were in concerned to help environment problems and provide remedies for environmental problems. Second phase was "Environmental" green marketing and the focus shifted on clean technology that involved designing of innovative new products, which take care of pollution and waste issues. Third phase was "Sustainable" green marketing. It came into prominence in the late 1990s and early 2000. As resources are limited and human wants are unlimited, it is important for the marketers to utilize the resources efficiently without waste as well as to achieve the organization's objective. So green marketing is inevitable. There is growing interest among the consumers all over the world regarding protection of environment. Worldwide evidence indicates people are concerned about the environment and are changing their behavior. As a result of this, green marketing has emerged which speaks for growing market for sustainable and socially responsible products and services.

Review of Literature

The literature has been reviewed from the reputed journals of both National and International Journals pertaining to Green Marketing and its related issues Vijay Jain et al (2010) summarized the three C's process for green marketing implementation as Consumer Value Positioning, Calibration of Consumer Knowledge and Credibility of product. Aarti Aggrawal et al (2010) outlined that Eco-responsible (Green) organizations have a tough task to optimise their product offering mix in such a way so that they can not only attract customer towards them but also can have their products price competitive. According to Joseph & Rupali korlekar(2012), there is a scope for in-depth studies on green marketing to be conducted in developing countries like India, not only on understanding consumers' perception but to study the detailed profile of such consumers .The study by Ann Kronrod et al (2012) highlighted and explained the surprising prevalence of assertive environmental messages in the media. Environmental agencies, which are populated with people who perceive protecting the environment as a highly important issue, should understand that not all consumers are as informed and concerned about the environment. The study by Murugesan (2008) underlined that firms may use green marketing as an attempt to address cost or profit related issues. Disposing of environmentally harmful byproducts, such as polychlorinated biphenyl contaminated oil are becoming increasingly costly and the firms that can reduce harmful wastes may incur substantial cost savings. Charles W Lamb et al (2004) explained that Green Marketing has also become an important way for companies to build awareness and loyalty by promoting a popular issue. By positioning their brands as ecologically sound, marketers can convey concern for the environment and society as a whole.

Objectives of the Study

The primary objective of the study is to understand the buying behaviour of the consumer to procure green product. The study was also conducted to ascertain the awareness levels amongst the consumers about green products.

Research Methodology

The research aims to quantify the attitudes and purchase decision of consumer towards green products. It is descriptive in nature because it measures the impact of product, Price, place and promotion and its influence on the purchase decision. The data has been collected from the consumers who are willing to purchase or already consumer of green products and their responses are analysed by using statistical tools. Snowball sampling method was used to select the respondent. A four point likert scale used for measurement of items. The sample size of the study is 60 respondents. The respondents were carefully selected from different groups like students, house wives, business persons and employees.

Results and Analysis

This section presents an analysis of the socio-economic and demographic characteristics of the samples as well as their relationship with eco-awareness, their attitude, behavior and perceived barrier to green lifestyle.

Sr. No.	General Information	Frequency	Percentage
1	**Age Group**		
	a. 19-29	18	30
	b. 30-39	23	38.33
	c. 40-49	12	20
	d. 50 and above	7	11.67
2	**Gender**		
	Male	40	67
	Female	20	33
3	**Occupation**		
	Students	8	13.33
	House wives	21	35
	Business professionals	19	31.67
	Employee	12	20
4	**Educational Qualification**		
	Graduates	37	61.67
	Post Graduates	23	38.33

4 Educational Qualification GraduatesPost Graduates 3723 61.6738.33

In the study of consumer behavior, demographic characteristics play a vital role. It is said that consumer attitude and behavior depend greatly on the demographic attributes they carry. Keeping in view the objective of finding out the relationship between demographic attributes and their respective environmental concerns, the present study took up one way ANOVA test.

Source of Variation	SS	df	MS	F-ratio	sig
Between Sample	221.69	3	73.896	1.33	0.39
Within Sample	774	14	55.28		
Total	995.69	17			

Taking age as an independent variable and eco concern as dependent variable, the above table shows that, the calculated value of F is 1.33 (approx), which is more than the table value at 5% level with d.f. being v1=3 and v2=14. This could not have arisen because of chance but due to the difference in sample means. It proves that the Environmental concern information varies with age.

The relationship between consumer and behavior is one, which has been explored in a variety of contexts. In the environmental literature, the question has been addressed by exploring the relationship between the attitudinal construct, environmental concern, and various behavioral measures and/or observations. For establishing a relationship between attitude and both types of behaviors i.e. purchase and conservation, the Anova was used. According to table the mean of 3.36 aligns that respondents agree on choosing green products among the other options. The higher score of the mean was 3.64, presenting that most respondents choose to buy products that are environmentally friendly. The standard deviation is under 68% (0.54) displaying minor dispersion.

Sr. No.	Component	Mean	S.D.
1	Awareness about green product	3.45	0.67
2	Responsibility about environment	3.64	0.55
3	Knowledge about recycling of wastage	3.21	0.49
4	Interested about to know more green products	3.36	0.54
5	Avoid buying products which are tested on animals	3.33	0.43
6	Buy products whose scrap and packages can be reused	3.36	0.54
7	Willing to spend more price on green product procurement	3.48	0.62
8	Buy products which contribute money for environment protection cause	3.01	0.48
9	In future willing to purchase more green products	3.06	0.55
10	Guide others to procure green products	2.70	0.71
	Average Score	3.26	0.558

Furthermore, the Anova Table is used to investigate the significance of the result, where multiple R in the population is 0, was examined in this analysis. The result of this study presents sig=
0.0 indicating P< 0.05.

Source of Variation	SS	df	MS	F-ratio	sig
Between Sample	30.277	4	7.569	126.190	.000
Within Sample	15.783	282	0.05		
Total	46.060	286			

The tolerance is closer to zero when the inter correlation of the independents is higher. According to the rule of thumb, there is a problem with multicollinearity when the tolerance is less than 0.20. However, high multicollinearity of the variable with other independents is indicated if tolerance is close to 0. Moreover, the b and beta coefficients would be unstable. It is noted if VID is high, the multicollinearity is also high, and therefore, the unsteadiness of the 'b' as well as the beta coefficients is higher as well. The correlations among the variables are displayed in table. The Tolerance, it is indicated that the extent to which the variability of a certain independent is not explained by the other independent variables.

Conclusion

The main purpose of the study was to assess the link between variables specific to environmental consciousness and purchase and conservation behaviors of consumers to procure green products. Because of the efforts of the government and organizations, people have started to think green. They have brought green products into their consideration set. Hence, it is a good sign for the companies to acknowledge the purchase preferences shift of consumer and capitalize this to market their products and services. With the increasing awareness of consumers about environmental issues, businesses, households and governments increasingly want to buy green products. Therefore, firms need to implement strategies to reduce the impact of environmental impacts of their products and services. The results indicated that this sample's overall environmental consciousness has a positive impact on green purchasing decisions. It was also observed that different environmental consciousness measures to be important explanatory variables for both the general purchasing as well as the conservation behavior.

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Application Of Information Technology Towards CRM In Banking Sector

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Introduction

Banks have to be alert in their approach to understand the customer definition of value and accordingly position themselves on quality, service, performance and efficiency perspective. It becomes imperative create value that is able to bind them to the banks and stop them from switching to another banks.

CRM signifies identifying the needs of the customers and stretching out ways and means to satisfy them. In this perspective CRM cannot be treated merely as a technology it also has implication in the strategy formulation for companies. It focuses on the customers looking for value in all their transactions and is willing to pay for that value. In a way technology has brought the customers closer to the market.

It is an attitude, a mindset, a value that you place on your business and its relationship with its customers..It is a methodology, a way of creating and evolving your organization in the marketplace and at the same time in the mind of each individual customer. It must look at the whole process of what you are involved in, whether this is a product or a service driven organization and it must involve every aspect of what you do from suppliers through to the end application, from your internal staff through to your customers. In its simplest from it recognizes that each customer is an individual and has a choice .It looks at ways to treat customers more as individuals and to exercise their choice positively towards organization. It also embraces many current marketing and management methods such as customer loyalty and marketing database management.

Objectives of the study

- To assess the awareness of CRM in banking sector.
- To evaluate the service quality offered by bank.
- To study the motivated aspect for long term reliability with customer.
- To evaluate the effectiveness of complaint request management of banks.
- To assess Technological components of CRM.
- To assess Innovative services through CRM.
- To assess advantages of CRM in banking sector.

Analysis

Customer relationship management solutions if implemented and integrated correctly, can help significantly in improving customer satisfaction level .Data warehousing can help in providing better transaction experiences fur customer over different transaction channel. This is because data warehousing helps bring all the transaction coming from different channels under the same roof. Data mining helps analyze and measure customer transaction pattern and behavior .This can help a lot in improving service levels and finding new opportunities. Today financial institutions can no longer rely on this established marketing techniques to attract and retain customers. As market break down in to heterogeneous segments, a more precisely targeted marketing technique is required, which creates a dialogue with smaller groups of customers and identifies individual needs. Also before the Internet revolution, consumers largely selected their banks based on how convenient the location of banks branches was to their home or offices. With the advent of new technologies in the business of bank, such as Internet banking and ATMs, now customers can freely chose any bank for their transactions. Thus the customer base of banks has increased and so has the choice of customers for selecting the banks. This situation coupled with the pressures of competitive and dynamic markets has contributed to the growth of CRM in the banking sector.

Our banks need to transform their branches from transaction processing centers in to customer centric service centers. This help transformation would help them achieve bottom line business benefits by retaining the most profitable customer. Banks world-over have re-engineered their organizations to improve efficiency and move customers to lower cost.

Importance of CRM in banking sector

Customer loyalty: In the present scenario brand loyalty is on decline. The customers are switching over frequently to avail the better facilities from other banks. Never and superior products and services are being introduced continuously in the market. Thus the banks have to upgrade their products, improve customer service and create bonds of trusts through proper care of customer needs and regular communications.

Well informed customers: The Customers in Banking industry today are well informed. With the introduction of new technology, the word has become like small village. Thus if a Bank wants to have more customers, it should develop a good relationship with its present customers and try to maintain the same in the future also.

Intense competition: There is intense competition among the private sector and Public sector Banks, Public Sector Banks and Foreign Banks and they are all taking steps to attract and retain the customers. New technologies, research facilities, globalization of services the flood of new products and the concept off all the facilities under the roof to provide better customer service leading to customer delight.

Improved customer Retention: In the intensely competitive banking industry, retention of existing customers is vital' which can be achieved through the process of CRM.

Introduction of Innovative Services through CRM

By using the CRM system Banks have made several innovations such as, Teller System, Internet Banking, ATM system, Biometric ATMs, Credit Card, Debit Card, Smart Card. Electronic cash, Mobile and E-Mail, Single Window Service. Education Loans, Marriage loans, Housing loans, vehicle loans etc.

Technological Component through CRM

Call Centers: Call centre system help to make call automation between the customer service department and customer generate the voice answer.

System Integration: This include activity like relationship with the customer. Contact details, Sales force automation, customer order e-processing, order fulfillment, delivery, Integration process to provide complete integrated information.

Customer Service: With the help of this system to automate the customer support such as to address the problem enquiries, suggestions and solutions.

Customer Database: In this system consists regular flow of information, systematic collection of information that is properly evaluated and compared against different points in time, and it has sufficient depth to understand the customer. Customer data strategy should focus on process to manage customer.

Electronic Point of Sale: These system help to automating and optimizing sales process to shorten the sales cycle and increase productivity and accuracy in sales.

Advantages of CRM in Banking Sector

Advantages to Banks Managers are empowered with the information that can help them manage customer relationship and make better decisions. He can able to optimum use of resources. It helps in capitalizing on short windows of opportunities in the market. Customer satisfaction and increased loyalty. Advantages to Employees such as Employees have higher satisfaction ratings, Employees deliver high quality service and meet customer expectations, Employees have more time to serve customers. Advantages to customers such as With up-to-date customer information, Banks can offer more personalized services, More coordinated and professional approach to contact, Services offering can be timed related to difference types of loans like Educational loans, vehicle loans, house loans, etc. 24 Hours banking service, LIC premium, Electric bills, Telephone bills, paid by bank as per requirement of customer. SMS facilities after debit and credit transaction balance.

Conclusion

The study concluded that customer services technology had first problem that are faced by banking sector, customers are ready to take overcome from these problems and require proper CRM practices in banks. A good business plan and guideline about the facilities is the major success factors of CRM in banking sector .Hence it is proved that a good business plan and continues guidance about facilities available to customer in banking sector, which has emerged a successful customer Relationship Management. Banks have understand the importance of the customers in developing their business .They have recognized that it is essential to protect and grow its customer base and ultimately its profitability using information technology in customer relationship management .The banks can do this by strong relationship with the customer with the innovative technology. These fast services in the banking system highly aggressive for requirement of progressive tuning of services. In current scenario banking have to play important rolling the changing business environment. This changes forcing bank to fight with current competition. The strategic tools that were chosen for this is Information Technology to create maintain retention of customers benefits of CRM to the organization loyalty ,customer confidence are necessary that can be possible through effective CRM.

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Customer Relationship Management In Life Insurance : A Study Of Claim Settlement

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Introduction

A delighted customer is the biggest brand ambassador for any organisation. Insurance one of the major segments of the financial markets is unique in the sense that it is rewarded for managing the risks of other parties. Insurance is not a commodity; it is a promise to perform in future in return for present monetary consideration. Such a promise is made in the circumstances where the customer is absolutely not sure about the fulfilment of the promise therefore, the technical quality of service depends upon its reliability. The most important commitment with reference to life insurance service is the settlement of claim. Life insurance is a contract under which the insurer, in consideration of a premium paid, undertakes to pay fixed sum of money, on happening of a specified event contingent on the human life or at the expiry of certain period. Life insurance is an intangible financial service therefore, customer relationship assumes great importance. In many cases the benefits of life insurance product are to be paid to the beneficiary after the death of a customer.

Importance of Customer Relationship Management [CRM]

- Currently CRM is the buzz word for managing and propagating insurance business successfully. Satisfaction of customer is an important aspect of CRM. Customer satisfaction is a measure of how products and services supplied by an organisation meet or surpass the customer expectations.
- It enables the insurer to understand the expectations of customers and act accordingly.
- It helps in building customer trust and developing loyal customer. Retaining a customer is much cheaper than acquiring a new.
- It is a systematic way to strengthen the relationship between a customer and an insurer.
- It contributes to accelerated customer satisfaction.
- It is an effective tool in the quest for better customer service.

The Major Aspects of Customer Relationship

Customer relationship starts with the sale of an insurance product and completes with the payment of assured benefits. Thus it relates to the product, the sales mechanism, the insurer, fulfilment of commitment by the insurer etc. Care is to be taken at every step to ensure that the consumer is satisfied. The paper focuses on individual death claim settlement aspect of the customer relationship management.

Meaning of Claim settlement

A Claim on policy is a demand on insurer to fulfil its part of promise, committed to while writing the contract. Claim settlement means monetary compensation paid to the policyholder in the event of loss. It is one of the main obligations of the insurer towards the customer.

A claim may arise:

i. On death of a policyholder before maturity date [Death Claim].
ii. On maturity, i.e. after the expiry of endowment period specified in the policy contract when the policy becomes payable [Maturity Claim].

Significance of Claim Settlement

- The significance of any insurance company and the consumer's demand to a great extent depend on the nature of claim settlement service.
- Claim settlement is a mirror of performance of an insurer from the customer's perspective.
- Prudent claim settlement promotes customer loyalty. To quote Roff [2004] from Boakye [2012], "To all intents and purposes, claim department can be seen as the 'shop window' of the insurance company. It does not matter how cheap an insurance company's premiums are, or how efficiently they conduct their underwriting administration, if a claim is not paid properly and fairly dealt with, this is where an insurer will be judged".
- Claim experience is the primary driver of the customer satisfaction and loyalty. As we look across the life insurance industry claims management continues to be a major area of interest and concern, as it has implications both to the customer and the insurer. Satisfaction of the customer to a great extent depends on claim settlement. The bottom lines

of the insurer are influenced by claim settlement.

- In the present liberalised market customers have a choice of insurance provider and the products. In this case the claim management is an important differentiator for selecting an insurer.
- Claim settlement which dates back to the history of insurance, is the only reason for which insurance products are purchased. Therefore, efficient management of claims is not only a legal obligation for an insurer but also a strong tool for good customer relationship.

Easy and timely settlement of valid claim is an important function of an insurer. The speed, kindness and the fairness with which an insurer handles settlement of valid claims is an indicator of efficiency of an insurer from a customer's perspective. It also shows the maturity of an insurer and decides the satisfaction of the customer. Although it is the liability of an insurer to honour valid and legal claims, it is equally important to reject fraudulent and invalid claims.

Trends in Individual Death Claim Settlement

The data on settlement of individual death claims is considered at two levels;

1. Life Insurance Corporation of India: LIC of India is currently competing with 23 private life insurers. Its position has changed from monopoly in the pre liberalisation period to an organisation under competitive circumstances in the post liberalisation period. The data for outstanding claims with reference to number of policies and the amount are presented in Table No.1.

Table 1: Outstanding Claims of LIC

[In percent]

Year	Number of Policies	Amount of Claims	Year	Number of Policies	Amount of Claims
1990-1991	3.27	5.51	1998-1999	2.96	4.39
1991-1992	3.25	5.50	1999-2000	2.36	4.19
1992-1993	3.08	5.27	2000-2001	1.71	3.70
1993-1994	3.05	4.86	2001-2002	0.70	1.90
1994-1995	3.47	5.26	2002-2003	0.23	1.13
1995-1996	3.86	5.99	2003-2004	0.14	0.89
1996-1997	3.13	5.32	2004-2005	0.14	0.80
1997-1998	2.74	4.51	2005-2006	0.18	0.82

Source: Annual reports of LIC

Note: Data in above format is available only up to 2005-06

Observations

- Outstanding claims by number of claims submitted declined from 3.27% to 2.36% during the pre-liberalisation period of 1990 91 to 1999-2000. During the post liberalisation period it is reduced from 2.36% on the eve of liberalisation to 0.18% in 2005-06. Later on annual reports do not provide data in this format.
- The decline in the proportion of claims outstanding is relatively higher in the post liberalisation.
- Outstanding claims by the amount for which claims were submitted declined from 5.51% to 4.19% during the pre-liberalisation period of 1990-91 to 1999-2000.During the post liberalisation period it is reduced from 4.19% on the eve of liberalisation to 0.82% by 2005- 06 Later on annual reports do not provide data in this format.

Table 2: Duration-Wise Settlement of Individual Death Claims

[Number of Policies]

No. of claims settled within the ranges of durations given below

Duration within which claims were settled	Private Insurers 2008-09	2009-10	2010-11	2011-12	Overall
30 Days or Less	23308	43368	70246	81949	218871
31 to 90 Days	11679	20234	19753	23144	74810
91 to 180 Days	4107	7130	4715	3564	19516
181 Days to 1 Year	1290	1254	1117	644	4305
More Than 1 Year	355	214	572	464	1605
Total Claims settled	40739	72200	96403	109765	319107

Duration within which claims were settled	LIC 2008-09	2009-10	2010-11	2011-12	Overall
30 Days or Less	338629	457655	553197	604303	1953784
31 to 90 Days	111874	95463	84312	55957	347606
91 to 180 Days	69544	60148	45041	32160	206893
181 Days to 1Year	39502	35203	26954	14417	116076
More Than 1 Year	4840	5440	8025	5664	23969
Total claims Settled	564389	653909	717529	712501	2648328

Duration within which claims were settled	Industry 2008-09	2009-10	2010-11	2011-12	Overall
30 Days or Less	361937	501023	623443	686252	2172655
31 to 90 Days	123553	115697	104065	79101	422416
91 to 180 Days	73651	67278	49756	35724	226409
181 Days to 1 Year	40792	36457	28071	15061	120381
More Than 1 Year	5195	5654	8597	6128	25574
Total Claims Settled	605128	726109	813932	822266	2967435

Source: IRDA Handbook on Indian Insurance Statistics 2011-12

% of claims settled within the ranges of durations given below

Time taken to settle claims	Private Insurers 2008-09	2009-10	2010-11	2011-12	Overall
30 Days or Less	57%	60%	73%	75%	69%
31 to 90 Days	29%	28%	20%	21%	23%
91 to 180 Days	10%	10%	5%	3%	6%
181 Days to 1 Year	3%	2%	1%	1%	1%
More Than 1 Year	1%	0%	1%	0%	1%
Total Claims Settled	100%	100%	100%	100%	100%

Time taken to settle claims	LIC 2008-09	2009-10	2010-11	2011-12	Overall
30 Days or Less	60%	70%	77%	85%	74%
31 to 90 Days	20%	15%	12%	8%	13%
91 to 180 Days	12%	9%	6%	5%	8%
181 Days to 1 Year	7%	5%	4%	2%	4%
More Than 1 Year	1%	1%	1%	1%	1%
Total Claims Settled	100%	100%	100%	100%	100%

Time taken to settle claims	Industry 2008-09	2009-10	2010-11	2011-12	Overall
30 Days or Less	60%	69%	77%	83%	73%
31 to 90 Days	20%	16%	13%	10%	14%
91 to 180 Days	12%	9%	6%	4%	8%
181 Days to 1 Year	7%	5%	3%	2%	4%
More Than 1 Year	1%	1%	1%	1%	1%
Total Claims Settled	100%	100%	100%	100%	100%

Self Calculated on the basis of data in Table 2

- The decline in the proportion of claims outstanding is relatively higher in the post liberalisation.

2. Life Insurance Industry: The data for duration-wise settlement of individual claims [Number of policies] are presented in Table No. 2 and Graph 1. The Table gives data for industry, for LIC and for private insurers.

Average No. of days taken to settle claim				
Sector	Year			
	2008-09	2009-10	2010-11	2011-12
Private	51	45	35	31
LIC	60	49	41	32
Industry	59	49	41	32

Self Calculated on the basis of data in Table 2

Observations

- There is an improvement in the average number of days for settlement of claims during the period under consideration. The average number of days for settlement of claims is reduced from 59 days in 2008-09 to 32 in 2011-12.
- A comparison of LIC and the private sector indicate that the average number of days for settlement of claim during 2011-12 for LIC is 32. While for the private sector it is 31.

Conclusions and Suggestions

Globalisation and deregulation has intensified competition in financial sector of which insurance is a major component. Competition has created challenges to the insurers in attracting customers. As a result Consumer Focus has become the focus of insurers. Therefore, claim settlement, an important aspect of consumer focus has become much more important.

Insurance is one of the most intangible financial services; the customer gets satisfaction only when the promises are kept. As claim settlement is an important part of the promise made to a customer of life insurance, the insurer should be very efficient in this respect.

In general both insurer and customer are satisfied with each other until there is a claim. Whenever there are claims, customer dissatisfaction is at peak when it comes to claim settlement. The onus of this dissatisfaction is on all the parties involved viz, the customer, the insurer and the advisor or an agent. In this case with reference to customer it can be suggested that the customer must be very careful about the various aspects of the insurance product being purchased. A proper understanding about commissions and omissions is essential. It is the duty of the customer to go through details of the policy document to understand its features so that there is no dissatisfaction at the time of claim settlement. It is the duty of the insurer to process the application for claim settlement with due consideration in reasonable time. From the insurers point it may be suggested that the policy document should be in simple language which a common man can understand. It should be in local language as far as possible. The Insurance Regulatory and Development Authority has taken measures in this respect. The sales force should be properly trained to give complete information to the prospect. The insurer must ensure that sales force gives full information to the prospect. Insurers should take all steps to ensure that the proportion of claim repudiation is maintained at the minimum level. To achieve this insurer should be transparent about the features of insurance product. The sales force should explain to the parties up front, the exact coverage and exclusions. If a claim is to be repudiated, the reasons for repudiation should be explained to the party in such a manner that the customer is satisfied.

At the same time it is necessary to deal strictly with attempted frauds and not allowing any dilution of the terms and conditions of the insurance product. It is essential to avoid fraudulent attempts. Sharing of data and the experiences about frauds among insurers can be very useful in this respect. Although the primary function of an insurer is to settle claim, it does not mean that all claims are to be paid. In fact it is essential to reject invalid claims. Claims which are not as per policy commitments must be strongly refused. This assumes great importance in light of rising frauds in the insurance sector. Frauds increase the cost of insurance and the policyholders have to pay higher premium. It places an insurer at a disadvantageous position against the competitors. In this respect it may be suggested that Anti fraud Regulations and its effective implementation is essential.

Staff in claims dept must be given training about customer satisfaction, identification and rejection of fraud, regulatory compliance and image boosting.

Insurers should be proactive and reduce complaints with respect to claims. They should try to plug the loopholes that give rise to grievance. Insurer should develop trust among the customers so that the customer is confident that in case of any complaint, the insurer will attend to it in reasonable time to the satisfaction of the customer. Not only customer satisfaction but customer delight should be the aim of every insurer. We can conclude with the statement of Irukwu "claim settlement must be done promptly and equitably because the best form of advertisement for insurance companies is claim settlement."

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Self-Help Group : Bank Linkage & Financial Performance

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Abstract

The self-help group (SHG) model is the dominant form of microfinance in India. SHGs have grown explosively in recent years. It is reported that by March 2006, 2.23 million SHGs were reaching about 33 million members. Such outreach appears to represent a major breakthrough in a country where 50 million households live in poverty, with very limited access to financial services. Although the term self-help group is used in different countries to describe a variety of financial and nonfinancial associations, in India it refers to a group of 10–20 poor women who band together for financial services beginning with periodic, compulsory savings and then mainly loans and sometimes social services as well. SHGs are managed by their members, with varying degrees of external support. In this paper the meaning and linkage of SHG is summarized and simultaneously the financial performance is also elaborate.

Introduction

A self-help group (SHG) is a village-based financial intermediary usually composed of 10–20 local women. Most self-help groups are located in India, though SHGs can also be found in other countries, especially in South Asia and Southeast Asia. Members make small regular savings contributions over a few months until there is enough capital in the group to begin lending. Funds may then be lent back to the members or to others in the village for any purpose. In India, many SHGs are 'linked' to banks for the delivery of microcredit. SHGs are formed with the assistance of self-help promotion institutions (SHPIs), which include nongovernmental organizations (NGOs), government agencies, banks, cooperatives, and microfinance institutions. In addition to helping with group formation, SHPIs provide training, monitoring, and other support services. Occasionally, promoters give SHGs initial seed capital to lend, but more typically, groups begin by saving and lending out their members' own resources. Most, but by no means all, SHGs eventually borrow from an external source, usually a bank. This bank linkage is the most distinctive characteristic of the Indian SHG model.

What Is an SHG?

SHGs are autonomous collectives that deliver small loans to their members. SHGs are run by their members, who choose their own leaders and bank account signatories. They decide on compulsory savings amounts, interest rates, lending norms, and distribution of surpluses. Accounts are maintained by literate members, hired bookkeepers, or staff of promoting institutions. Most SHGs are part of a federation that helps them with governance and financial monitoring and promotes new groups where needed. Federations and other promoters also link individual groups to external financial and social resources. SHGs collect periodic savings and make loans to their members. Savings are usually compulsory, with the amount and frequency of savings collections decided by the group. Loans are funded by savings, revenues (interest, fees, penalties), and loans from banks and other external sources.

Models Linked to Banks

Most though not all Indian SHGs eventually get loans from commercial banks. Three models have emerged for SHG bank linkages. In the dominant model, used by NABARD's SHG Bank Linkage Program, a bank lends directly to a group after evaluating the group's operations, maturity, and capacity to absorb credit. The groups lend the proceeds to their members. A self-help promotion institution (SHPI) an NGO or government agency remains involved with the group, but is not part of its funding chain. As of March 2005, 72 percent of bank-linked SHGs had been financed through this model. In the second model, the promoting institution also plays a funding role. A bank lends to the promoter, which then on-lends the funds to its SHGs.

As of March 2005, 7 percent of bank-linked SHGs had been financed using this approach. Banks like these two models because the costs of group formation and support are borne by SHPIs. In the third model, a bank acts as SHPI-forming SHGs, training them, and then lending to them. As of March 2005, 21 percent of bank linked SHGs had been promoted by banks. NABARD's program is designed to integrate informal savings and credit groups with the mainstream banking system. Under the program, NABARD refinances bank loans to SHGs-that is, it provides financing to banks at a below-market interest rate (currently 6%), though banks continue to carry the risk for their loans. By March 2006, NABARD's program had lent 114 billion rupees (US$2.8 billion to 545 banks through 44,362 branches, half of which was still outstanding). These banks in turn extended loans to 2.23 million SHGs that served an estimated 33 million poor women over 13 years. Banks establish links with groups that have maintained regular savings relationships with them, usually after six months. Banks then lend to the group without collateral, relying on self-monitoring and group peer pressure for repayment. Banks typically initiate lending to SHGs with a loan-to savings ratio of 1:1 or 2:1, and then gradually increase this ratio to 4:1

Most of the banks that lend to SHGs in India are government owned, though a few private banks participate as well. What motivates the banks to lend to such unconventional borrowers? The dominant factor is government-mandated lending targets of 40 percent of total bank credit to borrowers from priority sectors, including agriculture, microfinance, small industry, housing, and education. Of this, 10 percent must be to the "economically weaker sections." These targets are monitored by bank senior managers and government officials, who are answerable to Members of Parliament. But some banks are engaging in SHG and other microfinance operations because they think this market may be profitable. It is an open question whether banks would have much interest in doing business with SHGs if there were no governmental lending targets.

SHG –Bank Linkage Programme

The Self-Help Group Bank Linkage Programme (SHBL) which started as a pilot programme in 1992 has developed at a very fast rate with time. SHG-Bank Linkage Programme was started on the basis of the recommendation of S K Kalia Committee. While the SHG-bank linkage Programme has experienced exponential growth over the past decade, there remain large regional disparities in the growth of the SHG movement with limited progress in certain regions. Though the SHG-Bank Linkage Programme contributed to improve economic conditions, social change was not as apparent, and there are concerns of sustainability and further development of self reliance of the institutions. The SHG-Bank Linkage Programme has the following objectives:

1. To develop mutual faith and confidence between the rural poor and bankers.
2. To combine sensitivity, flexibility and responses of the informal credit system with the strength of administration capabilities, technical strength and the financial resources of the formal financial institutions.
3. To expand credit flow/ financial services to the rural poor with less transaction costs.
4. To alleviate poverty and empower the women.

NABARD's 'SHG Bank Linkage' program

Many self-help groups, especially in India, under NABARD's SHG-bank-linkage program, borrow from banks once they have accumulated a base of their own capital and have established a track record of regular repayments. This model has attracted attention as a possible way of delivering microfinance services to poor populations that have been difficult to reach directly through banks or other institutions. "By aggregating their individual savings into a single deposit, self-help groups minimize the bank's transaction costs and generate an attractive volume of deposits. Through self-help groups the bank can serve small rural depositors while paying them a market rate of interest."

NABARD estimates that there are 2.2 million SHGs in India, representing 33 million members, which have taken loans from banks under its linkage program to date. This does not include SHGs that have not borrowed. "The SHG Banking Linkage Programme since its beginning has been predominant in certain states, showing spatial preferences especially for the southern region – Andhra Pradesh, Tamil Nadu, Kerala and Karnataka. These states accounted for 57 % of the SHG credits linked during the financial year 2005-2006."

Financial performance

Savings

Savings in the 150 SHGs consisted entirely of the compulsory deposits that are a condition of membership and loan access. The absence of large voluntary savings balances probably indicates that most members do not consider groups useful for storing surplus cash and use other savings mechanisms. In addition, the complexity of managing cash flows may limit SHGs from offering such services to their members.

Loans to members

The average outstanding loan portfolio (loans to members) was US$1,388 per SHG. Almost all the groups surveyed charged members a monthly interest rate of 2 percent for loans.7 Only two of the 150 groups charged 3 percent a month though in the past (generally at the start of the microfinance program), most SHGs in India charged that amount. Loan terms, typically six months to three years, with monthly repayments, were not related to loan size. At the time of the survey, 88 percent of SHG members had outstanding loans. About two-thirds of the loans (68%) were reportedly for business use: agriculture (32%), animal husbandry (23%), and microenterprise (13%). The other third was reported as consumption loans. Loans were not concentrated in the hands of a few members. For example, SHG leaders represented 16 percent of group members and 21 percent of loans outstanding.

Loans from external sources

Three-quarters of the sample SHGs had borrowed from a bank or federation. In the case of PMMS, member SHGs borrowed from federations; SHGs under the other programs borrowed directly from banks. Outstanding loan balances from all external sources among the five programs ranged from US$84 to US$1,177 per SHG, with an average loan balance of US$739. Some of the programs achieved high repayment of their bank loans, while others did not. Portfolio at risk at 30 and 365 days was excellent in three programs but poor in the other two.

Costs of group promotion

Costs of promoting SHGs include the costs of launching, providing training, and monitoring them for about three years, after which groups can usually function with considerably less—and less costly—external support. Promoters' costs were analyzed based on total spending over three years divided by the number of SHGs promoted or supported during that time. The average cost was US$259 per SHG, although costs varied widely among the five programs. The highest costs were for multipurpose programs that promote empowerment of members, such as PMMS (US$443 per SHG) and PRADAN (US$361).11 The average cost of the CGB program, which formed SHGs solely for onlending, was only US$50 per group.

Financial sustainability (profitability)

The study measured profitability in three stages. The first-stage return on assets was calculated from SHG records with no adjustment. By this measure, the SHGs in all five programs were highly profitable, with a return averaging 13 percent. But this result cannot be considered a reliable indicator of financial sustainability because it does not take into account the fact that there will likely be losses when uncollectible loans are finally written off.

Conclusion

The SHG movement is still relatively young. Final assessment of its effectiveness will have to wait until more experience is acquired. One important question for the future is whether the increasing patronage by politicians and the resulting high growth rate of SHGs and their bank linkage could lead to high default rates. Another is the extent to which SHGs can adapt their lending and savings products to provide an appropriate fit with their members' financial preferences. A few promoter organizations have, however, developed federations of SHGs that provide these services and others that SHG member's need, but which SHGs cannot feasibly provide.

A Self-Help Group may be registered or unregistered. It typically comprises a group of micro entrepreneurs having homogenous social and economic backgrounds; all voluntarily coming together to save regular small sums of money, mutually agreeing to contribute to a common fund and to meet their emergency needs on the basis of mutual help. They pool their resources to become financially stable, taking loans from the money collected by that group and by making everybody in that group self-employed. The group members use collective wisdom and peer pressure to ensure proper end-use of credit and timely repayment. This system eliminates the need for collateral and is closely related to that of solidarity lending, widely used by micro finance institutions. To make the book-keeping simple enough to be handled by the members, flat interest rates are used for most loan calculations.

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A Conceptual Study On Development Of Self Help Group In India

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Introduction

Since year 1999, a large number of rural people particularly women have been mobilized into Self Help Groups in Assam. This has built the social capital among the rural people in the State. SHG movement in Assam has not only provided economic benefit to its members but more importantly created viable social capital in the form of an empowered community. Most significant social aspects wherein rural women in assam has made tremendous progress.

Increase in overall awareness level about their status and approaches for development. Social empowerment in terms of improvement in their confidence, self perception, communication skill and other behavioral changes. Participation in developmental activities (participation of women SHGs in Gram Sabhas have increased manifold). Mobility of rural women has increased for various socio- economic developmental activities. Decision making capacity at household level as well as at community level has increased and become more meaningful. Bargaining and receiving capacity of rural women have increased thereby making socio-economic programmes and facilities more accessible to rural poor. With the above background it has become convenient to consolidate the Self Help Groups already developed in the State into village organization and other federations. However, critical gaps have been observed in the management of day to day activities of the Self Help Groups relating to different group dynamics, organizational management, financial management, arrangement of livelihood activities, internal monitoring, accountability etc. Intensive and extensive training programmes involving community resource persons, coordinators etc. will have to be organized existing as well as new Self Help Groups, so that village level organizations (Primary Federations) can be conveniently formed with the help of these groups.

Principles of Self Help Groups

(1) Peer principle – Social Homogeneity (2) Self Determination (3) Built on inner strength (4) Services are free and reciprocal (5) Social support (6) Self Help solution (7) Internal focus rather than experts.

Applicability of Concepts

(1) Welfare dependence can be reduced (2) Sharing- Group interaction – Self Determination (3) Resurgence of Democratic life – effect to service – vehicle for demanding the appropriate role of the authority.

Stages in Group Formation

1. Forming – Habits of coming together suspicions, fear and anxiety of members discussed.
2. Storming: Individual interest and group interest surface Procedure rules and rules established Leadership will emerge.
3. Norming : Trust among group members will develop.
4. Performing: Group becomes operational

Mobilization

(1) Essentially attitudinal commitment to action. (2) There should be a means to translate this commitment to action. (3) Existence of values and goals. (4) Collective means of achieving.

Essentials of the Self Help Group Phenomenon:

(1) Self Help Groups are voluntary (2) Groups are small formed for mutual help and the accomplishment of a special task. (3) Homogeneous groups come together for a common need. (4) Emphasize face to face social interaction (5) All persons assume responsible. (6) Provide material assistance and emotional assistance. (7) Promulgate an ideology or values. (8) Members attain an enhanced sense of personal identity.

Development of Self-Help Groups in India

A variety of group-based approaches that rely on social collateral and its many enabling and cost-reducing effects are a feature of modern microfinance (MF). It is possible to distinguish between: (a) groups that are primarily geared to deliver financial services provided by microfinance institutions (MFIs) to individual borrowers (such as the joint liability groups of Grameen and the NGO-banks of Bangladesh); and (b) groups that manage and lend their accumulated savings and externally leveraged funds to their members. While the term 'self-help group' or SHG can be used to describe a wide range of financial and non-financial associations, in India it has come to refer to a form of Accumulating Saving and Credit Association (ASCA) (after Bouman, 1995) promoted by government agencies, NGOs or banks. Thus, SHGs fall within the latter category of groups described above. A distinction can be made between different types of SHGs according to their origin and sources of funds (Appendix 2). Several SHGs have been carved out of larger groups, formed under pre-existing NGO programmes for thrift and credit or more broad-based activities. Some have been promoted by NGOs within the parameters of the bank linkage scheme but as part of an integrated development programme. Others have been promoted by banks and the district rural development agencies (DRDAs). Still others have been formed as a component of various physical and social infrastructure projects. Some of the characteristic features of SHGs currently engaged in MF are given below:

- An SHG is generally an economically homogeneous group formed through a process of self-selection based upon the affinity of its members.
- Most SHGs are women's groups with membership ranging between 10 and 20.
- SHGs have well-defined rules and by-laws, hold regular meetings and maintain records and savings and credit discipline.
- SHGs are self-managed institutions characterized by participatory and collective decision making.
- NGO-promoted SHGs were often nested in sanghas or village development groups undertaking integrated development activities. As they have developed, SHGs or sanghas have been grouped into larger clusters and multi-village federations for financial and nonfinancial activities.

Shgs/Federations Of Shgs Linked To Various Types Of Mfis

1. SHGs/SHG Clusters/Secondary Federations Linked to NGO-MFIs : *(a) NGOs lending to SHGs/ individuals :* While most NGOs have been content to link the SHGs directly to banks, some have decided to involve themselves in borrowing and on-lending funds to SHGs. Two of the NGOs covered in this study, NBJK and OUTREACH, are in the process of transforming into MFIs or starting a satellite MFI. NBJK has an impressive range of microfinance and microenterprise projects and donor support.

(b) NGOs lending to SHG clusters/federations : Another variant of the SHG model is where the SHGs are constituted into financial federations and access supplementary funds from the promoting NGO. OUTREACH has adopted this model through the formation of primary or cluster-level associations (CLAs). The argument in favour of the CLAs is that the SHG is too small a unit to carry out a wide range of financial and non-financial intermediation. With 10-15 SHGs formed into a cluster, a variety of initiatives can be undertaken to organizationally and financially sustain this community-based organization.

2. SHGs/SHG Clusters/Federations Linked to Not-for-Profit Companies and NBFCs : The limitation on the quantum of loans available through SHG bank linkage was a major concern of various practitioners regarding the model. This has been particularly so in the southern states where SHG demand for loans is generally higher. Further, the availability of funds from local banks is often determined by the degree of interest shown by the bank manager in the bank linkage programme. In the past there have been many instances of new managers failing to provide loans to SHGs supported earlier by their predecessors.

3. SHG Federations Linked to MF Wholesalers : The federations of SHGs discussed thus far have either been linked to the promoting NGO that has taken up the role of the MFI or have accessed funds from other intermediaries, sometimes promoted by the NGO. As such they have retained a dependency status vis-à-vis the NGO. Mature secondary federations can, however, directly access funds from MF wholesalers. When registered as societies or trusts, they effectively are converted into MFIs using the same legal forms adopted by the NGO, but with lower overhead costs.

4. Mutually-Aided Cooperative Societies (MACS) : MACS as an organizational form have been described in Appendix

Conclusion

SHG is group of rural poor who have volunteered to organise themselves into a group for eradication of poverty of the members. They agree to save regularly and convert their savings into a Common Fund known as the Group corpus. The members of the group agree to use this common fund and such other funds that they may receive as a group through a common management. Generally a self-help group may consist of 10 to 20 persons. However, in difficult areas like deserts, hills and areas with scattered and sparse population and in case of minor irrigation and disabled persons, this number may be from 5-20. The difficult areas have to be identified by the State Level SGSY Committee and the above relaxation in membership will be permitted only in such areas. The group corpus fund should be used to advance loans to the members. The group should develop financial management norms covering the loan sanction procedure, repayment schedule and interest rates.

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Redefining Management Practices Of Human Approach Through Training And Development For Industry Management

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Introducation

Understanding the phenomenon of employee training and development requires understanding of all the changes that take place as a result of learning. As the generator of new knowledge, employee training and development is placed within a broader strategic context of human resources management, i.e. global organizational management, as a planned staff education and development, both individual and group, with the goal to benefit both the organization and employees. To preserve its obtained positions and increase competitive advantage, the organization needs to be able to create new knowledge, and not only to rely solely on utilization of the existing. Thus, the continuous employee training and deployment has a significant role in the development of individual and organizational performance. The strategic procedure of employee training and development needs to encourage creativity, ensure inventiveness and shape the entire organizational knowledge that provides the organization with uniqueness and differentiates it from the others. Education is no longer the duty and privilege of those in higher positions and skilled labour, but it is becoming the duty and need of everyone. The larger the organizations, the more funds they spend on education and provide their employees with greater and diverse possibilities of education and development. Understanding the tremendous significance of education for the modern organization and confident that it represents a good and remunerative investment, present day organizations set aside more and more resources for this activity. Most of the organizations invest 4 to 5% of their revenue into adult education. It is estimated that the organizations that desire to keep the pace with changes need to provide their employees with 2% of total annual fund of working hours for training and education. Thus, it is necessary to accept the model of permanent continuous learning. That truth has been known for more than two centuries. Denis Diderot, a French philosopher and literate of the Age of Enlighten, wrote the following:

"Education shouldn't be finished when an individual leaves school, it should encompass all the ages of life...to provide people in every moment of their life with a possibility to maintain their knowledge or to obtain new knowledge".

The only way for present day organizations to survive is the imperative to innovate or perish. Since this depends on the knowledge the organization possesses, this imperative could be read as: learn faster than competition. The logical sequence is: knowledge creation – innovation – competitive advantage. If knowledge is good, is it not true that the more knowledge we have, the better we are? Many organizations which consider knowledge as a good thing are trapped into the pitfall of gathering as much knowledge as possible.

Knowledge that is not necessary is exactly what it is: unnecessary. And the efforts to obtain it are wasted efforts. The only important knowledge is the knowledge with strategic importance to the company, knowledge that helps to increase the value of the company, knowledge with significance to the strategy of the company it is not about knowledge for the sake of knowledge, but rather knowledge according to the needs, applicable knowledge, knowledge to create innovation and competitive advantage. Obtaining knowledge, learning, education, all could have a real effect on the quality of labour only if they are harmonized with the needs of a particular organization, its goals and the goals of its employees. The further choice of educational contents and educational methods, and the efficiency of educational effectiveness control depend on clearly defined educational goals and needs, answers to the questions of which Knowledge is necessary to realize the strategy and the survival of the organization in general, which employees need to possess this knowledge and will this knowledge solve certain problems. Employee training and development does not imply only obtaining new knowledge, abilities and skills, but also the possibility to promote entrepreneurship, introduce employees to changes, encourage the changes of their attitude, introduce the employees to important business decisions and involve them actively in the process of decision making. To precisely define expectations and attract skilled workforce, more and more Employment advertisings offer a certain number of annual hours or days for education. The most wanted resources are the people with particular knowledge, skills and abilities. Managers must learn to manage them, and the organizations to employ and retain them. Knowledge based organizations must preserve their competitive advantage by retaining skilled workforce, workers of knowledge, strengthening their motivation and improving the reward and compensation systems according to the workers' performances. Within the context of learning organization, it is not sufficient for the worker only to add value to the organization based on his knowledge, but he also has to receive knowledge. He gives as much knowledge as he receives. For the present day employees the wage by itself is not a sufficient incentive, but they also need investment into themselves in a sense of investing in their knowledge. Employees no longer do not work for money alone, nor can they be influenced by traditional attractive financial packages.

Purpose of Employee Training and Development Process:

- Reasons for emphasizing the growth and development of personnel include
- Creating a pool of readily available and adequate replacements for personnel who may leave or move up in the organization.
- Enhancing the company's ability to adopt and use advances in technology because of a sufficiently knowledgeable staff.
- Building a more efficient, effective and highly motivated team, which enhances the company's competitive position and improves employee morale.
- Ensuring adequate human resources for expansion into new programs.
- Research has shown specific benefits that a small business receives from training and developing its workers, including: (a) Increased productivity. (b) Reduced employee turnover. (c) Increased efficiency resulting in financial gains. (d) Decreased need for supervision.

Employees frequently develop a greater sense of self-worth, dignity and well-being as they become more valuable to the firm and to society. Generally they will receive a greater share of the material gains that result from their increased productivity. These factors give them a sense of satisfaction through the achievement of personal and company goals.

Training Methods

There are two broad types of training available to small businesses: on-the-job and off-the-job techniques. Individual circumstances and the "who," "what" and "why" of your training program determine which method to use.

On-the-job training is delivered to employees while they perform their regular jobs. In this way, they do not lose time while they are learning. After a plan is developed for what should be taught, employees should be informed of the details. A timetable should be established with periodic evaluations to inform employees about their progress. On-the-job techniques include orientations, job instruction training, apprenticeships, internships and assistantships, job rotation and coaching.

Off-the-job techniques include lectures, special study, films, television conferences or discussions, case studies, role playing, simulation, programmed instruction and laboratory training. Most of these techniques can be used by small businesses although, some may be too costly.

Orientations are for new employees. The first several days on the job are crucial in the success of new employees. This point is illustrated by the fact that 60 percent of all employees who quit do so in the first ten days. Orientation training should emphasize the following topics:

- The company's history and mission.
- The key members in the organization.
- The key members in the department, and how the department helps fulfil the mission of the company.
- Personnel rules and regulations.
- Some companies use verbal presentations while others have written presentations. Many small businesses convey these topics in one-on-one orientations. No matter what method is used, it is important that the newcomer understand his or her new place of employment.

Lectures present training material verbally and are used when the goal is to present a great deal of material to many people. It is more cost effective to lecture to a group than to train people individually. Lecturing is one-way communication and as such may not be the most effective way to train. Also, it is hard to ensure that the entire audience understands a topic on the same level; by targeting the average attendee you may under train some and lose others. Despite these drawbacks, lecturing is the most cost-effective way of reaching large audiences.

Role playing and simulation are training techniques that attempt to bring realistic decision making situations to the trainee. Likely problems and alternative solutions are presented for discussion. The adage there is no better trainer than experience is exemplified with this type of training. Experienced employees can describe real world experiences, and can help in and learn from developing the solutions to these simulations. This method is cost effective and is used in marketing and management training.

Audiovisual methods such as television, videotapes and films are the most effective means of providing real world conditions and situations in a short time. One advantage is that the presentation is the same no matter how many times it's played. This is not true with lectures, which can change as the speaker is changed or can be influenced by outside constraints. The major flaw with the audiovisual method is that it does not allow for questions and interactions with the speaker, nor does it allow for changes in the presentation for different audiences.

Job rotation involves moving an employee through a series of jobs so he or she can get a good feel for the tasks that are associated with different jobs. It is usually used in training for supervisory positions. The employee learns a little about everything. This is a good strategy for small businesses because of the many jobs an employee may be asked to do.

Internships and assistantships are usually a combination of classroom and on-the-job training. They are often used to train prospective managers or marketing personnel.

Programmed learning, computer-aided instruction and interactive video all have one thing in common: they allow the trainee to learn at his or her own pace. Also, they allow material already learned to be bypassed in favour of material with which a trainee is having difficulty. After the introductory period, the instructor need not be present, and the trainee can learn as his or her time allows. These methods sound good, but may be beyond the resources of some small businesses.

Laboratory training is conducted for groups by skilled trainers. It usually is conducted at a neutral site and is used by upper- and middle management trainees to develop a spirit of teamwork and an increased ability to deal with management and peers. It can be costly and usually is offered by larger small businesses.

Trainers Who actually conducts the training depends on the type of training needed and who will be receiving it. On-the-job training is conducted mostly by supervisors; off-the-job training, by either in-house personnel or outside instructors.

There are several ways to select training personnel for off-the-job training programs. Many small businesses use in-house personnel to develop formal training programs to be delivered to employees off line from their normal work activities, during company meetings or individually at prearranged training sessions.

There are many outside training sources, including consultants, technical and vocational schools, continuing education programs, chambers of commerce and economic development groups. Selecting an outside source for training has advantages and disadvantages. The biggest advantage is that these organizations are well versed in training techniques, which is often not the case with in-house personnel.

Human Resource Management Role and Importance of Spiritual and Scientific values:

In every human endeavor in every sector and in every field of activity, there is a Management component as an integral part of the activity-though, words, deed, actions, transactions, policies, decisions and relationships. A Management function had existed from the dawn of civilization. But it has been made a subject for studies and practice only during last 100 years, ad that too, in business and industrial sectors during the Industrial Era which developed under the capitalist system.

It is the Management function which determines, or discriminates between what is good and bad for the doer and his/her family, society, community, religion, nation, mankind, animal species and planet. It is lack of ethical and moral component that is afflicting the three entities in the planet, consisting of mankind, animals, and Nature's endowments. At present, Management, as taught in Business Schools and practiced in every area of activity, is governed by social science disciplines, such as Politics, Economics, Sociology, Psychology, Logic, Law, Productivity Techniques, Mathematics, Statistics, Information Technology, Accounting etc. These disciplines do not have a discriminating or humanistic component. Therefore, in order to make Management Science to become an instrument for the welfare of Man, Animal and Nature, it is essential to introduce ethical, moral, philosophical and spiritual values, such as honesty, truth, integrity, non-violence, selflessness, service consciousness, compassion towards animals, respect for Nature, sympathy, empathy, courtesy, politeness, forgiveness, concern for others, culture, aesthetics, art, yoga, meditation, fasting, silence, prayer, surrender to the divine, equanimity, balance, serenity, calmness, fairness, justice, etc. Further, Management function should avoid, abjure, eliminate or suppress anger, arrogance, egoism, avarice, jealousy, envy, hatred, prejudice, lust, passion, vindictiveness, boastfulness, cynicism, negative tendencies and instincts which are lying dormant in Man.

1. HR trends in India have changed from the traditional to the experimental in the past couple of decades. The HR wheel identifies three primary HRD functions.

- Training and development
- Organizational development
- Career development

Training and Development:

1. Training is the process of increasing the knowledge and skills for doing a particular job. It is an organized procedure by which people learn knowledge and skill for a definite purpose. It is aimed at improving the behavior and performance of a person.

3G Innovative HR Practices in Training and Development

HRM observed that there are at least six critical trends in training that should be taken into serious account by organizations, to wit:

Adopt a Performance Consulting Strategy
Measure Results to See Impact
Training Delivery Is Changing
Training Delivery Systems Are in Transformation
Your Customer Is the Individual Employee
Training is Delivered Just-in-time, as needed

1. It is good news that more and more trainers and HRM professionals are adopting the JIT* (just in time) system in training. As I have mentioned earlier, if training should have been initiated to address performance problems, then it follows that training are perfect JIT intervention. Training programs should focused more on behavioral modifications rather than skill building, and should be geared towards adding value to the organization's competitiveness.

Emerging Trends in Training

Even if traditional learning methodologies are still used in training, the changing economy calls for reengineering the training function. The global economy generates new corporate realities. The changing mindsets in the global economy directly and indirectly impact re-engineering the training functions because of following reasons like intense international competition, new technologies dramatically impact organizations, people, products and services, increased emphasis on productivity performance and return on investment. Due to the changes in human resource function, there are certain additional mindsets, which are further impacting the need to rethink and reengineer the training function

2. Strategic human resource development actions must be aligned with corporate business strategies.
3. HRD must assume a proactive leadership role in responding to training and business needs.
4. Systems and technology approach are required to integrate HRD in the workplace.
5. The value and impact of HRD services need to be measured and demonstrated. Bold, creative, comprehensive strategies are required for the new corporate agenda.

Games in Training and Development

1. Many exercises and activities that trainers can share with the team members as well as with the organizations that would like becoming teams in order for them to develop team-centered work processes and environments. "Games are any of these exercises illustrations, stories, and activities that trainers can adapt to various groups and individuals in order to bring about better understanding of ideas and techniques of how team works." There are various games for team building, help a team function, games for team maintenance.
2. Games can sensitize team players to their own emotions and help them develop and deal with feelings constructively.

Competency Based Training

1. In traditional educational system, the unit of progression is time and is teacher –centered. In a CBT system, the unit of progression is mastery of specific knowledge and skills and is learner or participant –centered. Two key terms in CBT are
2. Skill A task or group of tasks performed to a specific level of competency or proficiency which often use motor functions and typically require the manipulation of instruments and equipment. Some skills, however such counseling is knowledge and attitude based.
3. Competency-A skill performed to a specific standard under specific conditions for superior performance.

Assessment centers

1. An assessment centre is an evaluation process, which can be used to identify the future potential of employees. It consists of the observation of candidates carrying out a variety of assignments, individually or in a group, over a period of a couple of days. The method is systematic, reliable and effective.

- Setting up an assessment centre a step by step approach: Determine objectives, Job analysis, Determine competencies, Select assignments, Select candidates, Design the programmed, select assessors, Assessment centre, Evaluation and repot writing.

Organizational Development

Organizational development is defined as the process of enhancing the effectiveness of an organization and well being of its members through planned interventions that apply behavioral science concepts In today's HR, the HR professional may also become directly involved in carrying out the intervention strategy.

Career Development

We may define career as "a sequence of positions occupied by a person during the course of a life time." Career development involves two distinct processes: career planning and career management. Career planning involves activities performed by an individual, often with the assistance of counselors and others to assess his or her skills and abilities in order to establish a realistic plan.

Conclusion

The newness of the HR Practices in training in industry in recent environment has been notable for the employees, by the refer of articles and project reports on Training and Development in industries , the importance of recent training techniques and how it would affect positively to the development of an individual was known. Trained workers can show superior performance, which is beneficial to both the employer as well as the employees.

Job in an industry is a very tough one especially when you are working at the functional level and can be made very interesting too once the employee is well-trained in the field. It helps the workers to know deep about the risk involved in the job and how to effectively tackle the emergencies that arise during their work period which directly influences the morale of the employees as well as their efficiency in work. This also has a direct impact on the organizational efficiency.

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A Conceptual Study About Management And Managerial Skills

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Introduction

A business develops in course of time with complexities. With increasing complexities managing the business has become a difficult task. The need of existence of management has increased tremendously. Management is essential not only for business concerns but also for banks, schools, colleges, hospitals, hotels, religious bodies, charitable trusts etc. Every business unit has some objectives of its own. These objectives can be achieved with the coordinated efforts of several personnel. The work of a number of persons are properly co-ordinated to achieve the objectives through the process of management is not a matter of pressing a button, pulling a lever, issuing orders, scanning profit and loss statements, promulgating rules and regulations. Rather it is the power to determine what shall happen to the personalities and happiness of entire people, the power to shape the destiny of a nation and of all the nations which make up the world." Peter F. Drucker has stated in his famous book "The Practice of Management" that, "the emergence of management as an essential, a distinct and leading social institution is a pivotal event in social history. Rarely in human history has a new institution proved indispensable so quickly and even less often as a new institution arrived with so little opposition, so little disturbance and so little controversy?" Management is a vital aspect of the economic life of man, which is an organised group activity. It is considered as the indispensable institution in the modern social organization marked by scientific thought and technological innovations. One or the other form of management is essential wherever human efforts are to be undertaken collectively to satisfy wants through some productive activity, occupation or profession.

Objective of the study

- To define the management practices.
- To describe to scope of management.
- To identify the process and practical importance of management.
- To find out managerial skills.

Analysis

The social process by which managers of an enterprise integrate and coordinate its resources for the achievement of common, explicit goals. It has developed into a body of knowledge and a separate identifiable discipline during the past six decades. Practice of management as an art is, of course, as old as the organized human effort for the achievement of common goals. Management has also acquired several characteristics of profession during recent times. Large and medium-sized enterprise in India and elsewhere are managed by professional managers – managers who have little or no share in the ownership of the enterprise and look upon management as a career.

Management is science, it uses the scientific methods of observation, experimentation and laboratory research. Management principles are firmly based on observed phenomena, and systematic classification and analysis of data. These analyses and study of observed phenomena are used for inferring cause-effect relationships between two or more variables. Generalizations about these relationships result in hypotheses. The hypotheses when tested and found to be true are called principles. These principles when applied to practical situations help the practitioner in describing and analyzing problems, solving problems and predicting the results. Even though management is a science so far as to possess a systematized body of knowledge and uses scientific methods of research, it is not an exact science like natural sciences. This is simply because management is a social science, and deals with the behaviour of people in organization. Behaviour of people is much more complex and variable than the behaviour of inanimate things such as light or heat. This makes controlled experiments very difficult. As a result, management principles lack the rigour and exactitude which is found in physics and chemistry. In fact, many natural sciences which deal with living phenomena such as botany and medicine are also not exact. Management is a social science like economics or psychology, and has the same limitations which these and other social sciences have. But this does not in any way diminish the value of management as a knowledge and discipline. It has provided powerful tools of analysis, prediction and control to practicing managers and helped them in performing their material tasks more efficiently and effectively.

Managerial Skills

A skill is an individual's ability to translate knowledge into action. Hence, it is manifested in an individual's performance. Skill is not necessarily inborn. It can be developed through practice and through relating learning to one's own personal experience and background. In order to be able to successfully discharge his roles, a manager should possess three major skills. These are conceptual skill, human relations skill and technical skill. Conceptual skill deals with ideas, technical skill with things and human skill with people. While both conceptual and technical skills are needed for good decision-making, human skill in necessary for a good leader.

The conceptual skill refers to the ability of a manager to take a broad and farsighted view of the organization and its future, his ability to think in abstract, his ability to analyze the forces working in a situation, his creative and innovative ability and his ability to assess the environment and the changes taking place in it. It short, it is his ability to conceptualize the environment, the organization, and his own job, so that he can set appropriate goals for his organization, for himself and for his team. This skill seems to increase in importance as manager moves up to higher positions of responsibility in the organization.

The technical skill is the manager's understanding of the nature of job that people under him have to perform. It refers to a person's knowledge and proficiency in any type of process or technique. In a production department this would mean an understanding of the technicalities of the process of production. Whereas this type of skill and competence seems to be more important at the lower levels of management, its relative importance as a part of the managerial role diminishes as the manager moves to higher positions. In higher functional positions, such as the position of a marketing manager or production manager, the conceptual component, related to these functional areas becomes more important and the technical component becomes less important.

Human relations skill is the ability to interact effectively with people at all levels. This skill develops in the manager sufficient ability to recognize the feelings and sentiments of others, to judge the possible actions to, and outcomes of various courses of action he may undertake, and to examine his own concepts and values which may enable him to develop more useful attitudes about himself. This type of skill remains consistently important for managers at all levels. It gives an idea about the required change in the skill-mix of a manager with the change in his level. At the top level, technical skill becomes least important. That is why, people at the top shift with great ease from one industry to another without an apparent fall in their efficiency. Their human and conceptual skills seem to make up for their unfamiliarity with the new job's technical aspects.

Conclusion

Management is also called administrative science, whose principles can be used in all management situations no matter what kind of organization was being managed. Management performs the functions of planning, organizing, staffing, directing and controlling for the accomplishment of organizational goals. Any person who performs these functions is a manager. The first line manager or supervisor or foreman is also a manager because he performs these functions. The difference between the functions of top, middle and lowest level management is that of degree. Management is concerned with acquiring maximum prosperity with a minimum effort. Management is essential wherever group efforts are required to be directed towards achievement of common goals. In this management conscious age, the significance of management can hardly be over emphasized. It is said that, anything minus management amounts to nothing. Management is the force that unifies various resources and is the process of bringing them together and coordinating them to help accomplish organization goal. Management is both, a science as well as art. It is an inexact science. However, its principles as distinguished from practice are of universal application. Management does not yet completely fulfill all the criteria of a profession.

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Impact Of Trade Liberalization On Retail Marketing Of Tea In India

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Abstract

Retail marketing is the sale of goods and services from individuals or business to the end-user. Retailers are part of an integrated system called the supply chain. A retailer purchases goods or products in large quantities from manufacturers directly or through a wholesale, and then sells smaller quantities to the consumer for a profit. The tea industry is one of the oldest organized firm sectors with a large network of tea producers, retailers, distributers, auctioneers, exporters and employers. Tea has occupied an important place in Indian economy for the last several decades. The market for Indian tea is changing day by day. In global scenario, Indian tea is losing its position due to high price and poor quality, also in domestic market tea is facing though competition from soft drinks and other beverages like Horlicks, Bournivtaetc .The aim of present paper is an attempt to study impact of trade liberalization on retail marketing of tea in India and also analyze the retail prices of tea in pre and post-liberalization periods.

Key words

Retail marketing, trade liberalization, pre and post-liberalization, retail price.

Introduction

Tea is the second most popular drink in the world after water, is a very important commodity for some of the developing countries in terms of jobs and export earner. India is the second largest producer and largest area under cultivation of tea in the world, contributed 19 percent share in area and 24 percent share in production. Tea export to other countries during the year 2010 it was 222.02 M. Kg with value 3058.31 croresRs, it is the 4th position in the world (Tea board of India).

The development of marketing is one of the outstanding achievements of human civilization. Tea is one of the most important agriculture as well as manufacturing products, like other products, it also needs a proper marketing channels for disposal. One of the important tea marketing is retail marketing to sell the tea products to consumers.

Retail marketing is the range of activities undertaken by a retailer to promote awareness and sales of the company's products. This is different from other types of marketing because of the components of the retail trade, such as selling finished goods in small quantities to the consumer or end user, usually from a fixed location. Retail marketing makes use of the common principles of the marketing mix, such as product, price, place and promotion. A study of retail marketing at university level includes effective merchandising strategies, shopping and consumer behavior, branding and advertising. Retail marketing is especially important to small retailers trying to compete against large chain stores.

- **Product**

The cornerstone of the retail marketing definition is the product. In the retail environment, merchandise is classified according to the category into which it falls. These categories include hard or durable goods such as appliances, furniture, electronic goods and sports equipment; food; and soft goods or consumables. Soft goods include clothing, furnishings, cosmetics, paper goods and other items with a typical life span of three years or less. For example, in a small business selling handmade crafts, the products would likely all fall under a single category.

- **Place**

The place where retail marketing occurs helps to define the process. A retail operation can be store-based retail or non-store, according to the Internal Revenue Service's Retail Industry Handbook. More than 90 percent of U.S. retail stores are small, single-store, owner-managed operations; however, these generate less than 50 percent of sales from retail stores countrywide. A definition of retail marketing includes the places where it occurs, such as in-store, online and points of sale. This also applies to non-store operations such as retail sales taking place from the business owner's home.

- **Price**

Pricing is a major aspect of any retail marketing strategy. The price of merchandise helps to define the methods of retail marketing employed, as well as the target market, store location and retail format used to sell it. Pricing in the retail environment is based on fulfilling objectives such as covering the cost of sales and overhead, and in accordance with the four basic retail pricing strategies. These are everyday low pricing, high/low pricing, competitive pricing and psychological pricing. In a small retail business such as selling handcrafts, pricing may be based purely on the cost of sales, because overhead costs, if they exist, are minimal.

- **Promotion**

Retail marketing relies heavily on the promotional aspect of the marketing mix, as can be seen by the number of print advertisements for consumer goods such as clothing, food and furniture. Promotions take place in both in traditional media such as television, print, outdoor billboards and radio, as well as new media such as the Internet. The choice of promotional channels is influenced by factors such as the competitive retail environment, the profit margin on sales and the budget available for promotion purposes. The success of retail marketing is defined by the success of the business in selling its merchandise. Promotion may be more difficult for small businesses, because of their lower advertising budgets, but social media provides a low-cost method of promotion.

Worldwide Top Five Retailers:

Retail Sales Rank	Company	Country of Origin
1	Walmart	US
2	Carrefour	France
3	Tesco	UK
4	Kroger	US
5	Metro AG	Germany

Objective

The important objective of this paper is an attempt to study impact of trade liberalization on retail marketing of tea in India and also analyze the retail prices of tea in pre and post liberalization periods.

Methodology

The analysis is based on time series data consisting of two periods that is pre and post-liberalization. The period from 1980 to 1989 is considered as pre-liberalization and the period of 1992 to 2010 was considered for post-liberalization. Time series data was collected from various issues of tea statistics, Tea Board of India. To analysis the trends variation is retail prices was analyzed with co-efficient of variation (C.V).

Marketing Of Tea In India

Marketing of tea is under control of Tea Board of India. The three main modes preferred for the disposals of tea are -

(a) through auction

(b) ex-factory or ex-garden sale and

(c) forward contract. In India, marketing process of tea can be divided into two parts that is primary and secondary market. Primary/ marketing channels helps in moving made- tea from the grower (tea estate) to the bulk tea buyers. It also explains the movements of tea directly from producers to national or international buyers.

This channel used to carry tea form products to the large buyer through brokers. Secondary marketing channel includes the movement of bulk tea (which is purchased in bulk in primary market) through auction trading to ultimate consumers. In this chain, tea passes through wholesalers, commission agents, blenders, packers and retailers.

Until 2001, it used mandatory for the India producers to sell 75 percent of their tea through auction, following the Tea marketing control order 1984(TMCO). After the abolition of this order in 2001, producers were given the freedom to sell their tea through the channel they prefer. However, till date the auction trading has remained by far the most important marketing channel for the tea growers.

Producer of tea may be (a) small grower or (b) big tea estate. According to Tea Board of India, a person or group having up to 10.12 hector of area under tea cultivation is treated as small grower and if they have more than that, they are called big tea estate.

Among the 14 auction centers of the world, nine are situated in India. These are Amristar, Calcutta, Guwahati, Jalpaiguri and Siliguri located in the north and Cochin, Coimbatore and Coonoor(two centers) located in the South of India.

Table 1: The Auction Centers in India

Sl. No.	Auction Centre	Auction Organizer	Year of starting	Auction held on
1	Kolkata	Kolkata Tea Traders Association	1861	Monday & Tuesday
2	Guwahati	Guwahati Tea Auction Committee	1970	Tuesday & Wednesday
3	Siliguri	Siliguri Tea Auction Committee	1976	Thursday & Friday
4	Jalpaiguri	North Bengal Tea Auction Committee	2005	Initially weekly, presently fortnightly
5	Amritsar	Kangra Tea Planters Society	1964	Fortnightly
6	Cochin	Tea Trade Association of Cochin	1947	Tuesday & Wednesday
7	Coonoor	Coonoor Tea Trade Association	1963	Thursday & Friday
8	Coonoor	Tea Serve	2003	Wednesdays
9	Coimbatore	Tea Trade Association of Coimbatore	1980	Fridays

Source: Tea Board of India

Auction System: Auction makes it possible to distribute a large quantity of teawithin a shortest period and with an organized manner. Furthermore it provides reliable means of selling and buying tea. In India out of 800 m Kg bulk packaged tea, 500 m Kg is sold through public auction annually. Auction takes place among five important stock holders.

They are follows:

- Auction Organizers
- Seller / Manufactures
- Brokers / Auctioneers
- Buyers
- Ware house Keepers

In the auction process auction organizers monitor the whole auction mechanism and publish reports of the sellers or manufactures do not have any active role in this system. They simply give the authority of their tea to concern brokers and this used to sell tea after casting and grading. These brokers are the controller of the whole selling process. They collect samples of tea from the warehouses and send them to registered buyers. Accepting or rejecting a bid for a particular lot of tea is also in their hands. Besides these, a buyer cannot bring tea from ware house without the permission of brokers.Buyers are the bidder for tea in auction. Tea is kept in registered warehouses and warehouse keeper has to take all the responsibility of this tea. After the selling process is over at the auction, brokers use to issue a permission receipt to the buyer to collect the particular amount of tea from concern warehouse (KakaliHazarika, 2012)

Trend In Retail Prices Of Tea In India

Introduction of New Economic Policy during 1991-92 brought a new paradigm shift in Indian International trade policy. It facilitated greeter globalization by reducing restriction on export and imports. Liberalization policies have dismantled the restrictive practices both in the Internal and International markets. Globalization resulted in greater competition among the tea producing countries.Retailers used to purchase tea from wholesalers or through manufactures directly through auction centers in India.

Retail marketing strategy has become one of the basic elements of marketing strategy whichincludes a lot of planning and proper execution of this planning. Now let us first focus on the basic nature of retail. Firstly in retail, a marketer needs to focus primarily on the needs anddesires of the customers. With this scenario, the trends in the retail prices of tea in pre and post-liberalization periods are analyzed and data are presented in table 2 .

Retail prices of tea in pre-liberalization period from 21.76 Rs/Kg in 1980 to 42.31 Rs/Kg in 1989 they are increased drastically upward. From 1992 started upward and increase up to year 1998 by 46.37 Rs/Kg to 111.66 Rs/Kg during these years, they have shown increasing trend up to 1998. In 1999 retail prices of tea is decrease by 85.83 Rs/Kg again in the year 2000 and 2001 increase by 90.00 Rs/Kg and 100.00 Rs/Kg. In the years 2002 and 2003 the prices are between 95.00 and 98.33 Rs/ Kg. respectively.

From 2004 onwards started upwards and increasing the prices of tea from101.66Rs/Kg to 108.50 Rs/Kg in 2010, during the these years the higher prices it/was 110.50 Rs/Kg in 2009, that is lot of variation and variability in prices of tea,this is due to international prices in auction world and also due to demand for tea inthose years. Co-efficient variation in post-liberalization periods is lower than pre-liberation period it is near to each other by 24.69 and 25.55 respectively.

Table 2: Average Retail Prices of Tea during 1980 to 1989 and 1992 to 2010 pre and post- liberalization periods.

Year	Pre-Liberalization	Year	Post–Liberalization
	Tea		Tea
1980	21.76	1992	46.37
1981	22.27	1993	50.20
1982	23.72	1994	50.44
1983	31.19	1995	58.57
1984	33.66	1996	74.83
1985	35.53	1997	84.66
1986	41.50	1998	111.66
1987	42.10	1999	85.83
1988	42.50	2000	90.00
1989	42.31	2001	100.00
Mean	33.65	2002	95.00
S.D	8.59	2003	98.33
C.V	25.55	2004	101.66
		2005	107.50
		2006	108.66
		2007	94.40
		2008	101.53
		2009	110.50
		2010	108.50
		Mean	88.61
		S.D	21.88
		C.V	24.59

Source : Calculated from Data Base on Coffee, Coffee Board of India.

Conclusion

In the growing market, retail marketing of tea has become one of the major emerging trends in the entire economical cycle. It is the retail market only which provides the consumer a basic platform to encounter with product.

The tea industry is one of the oldest organized firm sectors with a large network of tea producers, retailers, distributors, auctioneers, exporters and employers. In this paper the result it obtain that trend in retail prices of tea in post-liberalization period co-efficient of variation is lower than pre-liberalization period it is near to each other by 24.69 and 25.55 respectively. Retail marketing of tea is biggest marketing network in India with the large trade among business activities.

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Role of Organized Retail Sector In India

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Introduction

Retailing is one of the largest sectors in India is still largely dominated by the unorganized retailing Indian retail market is very large as well as swelling. Retail is the final stage of an economic activity. By virtue of this fact retail occupies an important place in the world economy.

When we talk of competition in the retail sector in India, we immediately think of the threat posed to small grocery shops by big organized sector stores and by the imminent entry of foreign retailers to these organized stores. The competition between retail and wholesale trade has not become acute as yet in India because sourcing by super market chains, departmental stores is quite small in the aggregate as compared to wholesale trade.

Objectives

1) To identify the term retailing with reference or organized retail.
2) To understand the importance of organized retailing in the business growth of economy.
3) To identify the India – specific challenges of retails sector.

Meaning

As Philip Kotler says – "Retailing includes all the activities involved in selling goods or services directly to the final consumer for personal or non-business use."

The world 'retail' is derived from the French term 'retailer' meaning to cut a piece of or to break bulk retailing forms an integral part of the marketing mix. It includes 6 p's (product, price, place, people, presentation and promotion). It implies a first hand transaction with the customers. Retailing, therefore, involves a direct interface with the customers and it includes co-ordination of business activities right from the design stage of a product to its delivery

Organized retailing could be classified into any one or more of the following formats namely branded stores, specialty stores, departmental stores, Super markets, shopping malls convince stores, convenience stores and discount stores. Retail stores serve as a communication hub for customers they transmit information to the customers through advertisement & displays.

The modern, systematic & consumer oriented shopping culture is the mainstay of organized retailing.

The terms organized retail means to have formal organization to co-ordinate and carry out activities.

Global brand like McDonald's, Swarovski, Lacoste, Domino's, Benelton etc. have also shown interest in the Indian retail trade National players like Tata, ITC, Reliance etc are cashing on this booming sector. Therefore, the country is witnessing introduction of many modern formats & techniques. Which are changing the retail landscape for most of the product categories ? Place like Chennai, Bangalore and Hyderabad have emerged as a centre for organized retailing.

Growth drivers of organized retail in India :

The phenomenal growth in the retails sector in India can be attributed as –

1. The booming Indian economy.
2. An increase in urbanization.
3. Increasing proportion of young working population.
4. Changing consumer attitudes specially the increasing use of credit cards and debit cards.
5. Home improvement and consumer durables over 20% p.a.
6. Increase in the No. of working women providing for double income households.
7. Provides an alternative investment opportunity.
8. Tremendous scope for expansion in Tier II cities.
9. Food and Grocery (91%) clothing (55%) furniture & fixtures (27 %), footwear, leather, watch & jewellery are poised for very high growth in coming years.
10. Retail sector offers opportunities for explorations expansion and investment in rural areas in ITC launched the country's first rural mall 'chaupal sagar' attempting to provide the farmers with a one stop destination for all their needs.
11. Wholesale trading holds huge potential for growth.

These new format cash and carry stores attract large volumes from a sizeable number of retailers.

Benefits offered by organized retailing :

In organized retailing service quality, product assortment, packaging are of superior quality. The consumers are provided with air conditioned atmosphere, well – lit décor, shopping carts, smoothing music which creates a favorable climate for purchasing probability of impulsive purchasing becomes higher party due to organized display and partly due to provision of promotional incentives for consumers.

Because of efficiency of supply chain & value chain mark etability of farm produce is done with a better price & government also gains substantially as all taxes & duties are paid along the way there are no leakages.

Challenges :

Global retailing is facing challenges & India is no exception. India specific challenges of retail sector can be classified broadly in to two categories.

1) Internal Challenges

Like prevention of shortages, shop lifting, keeping pace with the technology, streamlining of logistic and supply chain and training of personnel, management of the profitability of the store etc.

2) External Challenges

Like vastness or the market, required laws relating to this trade, infra structure, rising aspirations of the consumer etc. Govt. restrictions on FDI. There is lack of a uniform tax structure, infrastructure development is another major challenge to sustain the growth of retailing.

Conclusion :

There is no doubt that Indian organized retailing has gained a momentum of growth. A number of agencies have projected in there own ways regarding the dimension of organized retail bazaar in the years to come.

It has emerged as one of the most dynamic and fast paced industries with several players entering the market future is promising as the market is growing and government policies are becoming more favorable and emerging technologies are facilitating operators.

Therefore, for modern retailing to be successful it must offer the convenience of the push cart peddlers & traditional retailers without compromising on the quality aspect of these commodities.

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Impact Of Consumer Behavior In Decision Making On Selection Of Product With Special Reference To Various Shopkeepers Of Raipur City

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Introduction

Consumer Behavior is that part of management which is the most important factor of Business. Whenever any manufacturer designs any product he/she takes behavior of consumer/customer on top priorities.

Consumer Behavior is the most revolutionary change in marketing management. As Income of consumer/customer increases or decreases his/her tests also increases and decreases regarding selection or buying of product which is basically define with consumer behavior. It is totally external factor for business which cannot be controlled by any manager or manufacturer.

Consumer behavior plays a very important role in decision making of product which is directly and indirectly deals with their decision making.

Nowadays consumer behavior become very crucial issue for every business organization which became the most critical issue for every shopkeeper of country and state.. For knowing answer of this question I have done research survey and I have chosen title of my research study is Impact of Consumer Behavior in Decision Making on Selection of Product with Special Reference to Various Shopkeepers of Raipur City.

Methodology

Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying how research is done scientifically. In it we study the various steps that are generally adopted by a researcher in studying his research problem along with the logic behind them. It is necessary for the researcher to know not only the research methods/ techniques but also the methodology. The formidable problem that follows the task of defining the research problem is the preparation of the design of the research project, popularly known as the "research design". This research is basically an Exploratory cum Descriptive research. We collects primary data during the course of doing experiments in an experimental research but in case we do research of the descriptive type and perform surveys, whether sample surveys or census surveys, then we can obtain primary data either through observation or through direct communication with respondents in one form or another or through personal interviews.

Secondary data means data that are already available i.e., they refer to the data which have already been collected and analyzed by someone else. Secondary data may either be published data or unpublished data such as Company Profile, Brochure, Internet. Data analysis will be done through Average Percentage Method & the reason for choosing this method is that we are taking sample of 50 people. All items in any field of inquiry constitute a UNIVERSE. A complete enumeration of all items in the universe is known as census enquiry. It can be presumed that in such an inquiry when all items are covered, no element of chance is left and highest accuracy is obtained, but in practice this may not be true. In our research study we have taken Raipur capital of Chhattisgarh State Street Aamapara, Gol Bazaar, and Shastri Bazaar as a Universe. A part of the universe is known as SAMPLE. The method consisting of the selecting for study, a portion of the 'universe' with a view to draw conclusions about the 'universe' is known as sampling. In our research study we have taken 50 as a sample.

Objective of the study

- To determine the impact of Consumer Behavior on Decision Making of buying any product.
- To know the factor influencing Consumer Behavior.
- To analyze the driver factor of Consumer Behavior regarding product.

Findings

By the following research it can be concluded that Shopkeepers have knowledge about Consumer/ Customer Behavior. According to Shopkeepers Consumer/Customer Behavior is most important factor for business. According to Shopkeepers Buying Decision is affected by Consumer/Customer Behavior. According to Shopkeepers Consumer/Customer Behavior is external factor for business. According to Shopkeepers Consumer/Customer Behavior is influenced by Competitive Pressure and Fashion. According to Shopkeepers Nowadays Consumer/Customer Behavior is playing important role in Business Environment. According to Shopkeepers Consumer/Customer Behavior cannot be easily controllable by any Business environment. According to Shopkeepers Consumer/ Customer Behavior Decision is affected by after sales service which is provided by manufacturer/Seller.

According to Shopkeepers Consumer/Customer Behavior is a driven factor for business organization.

Recommendation

By the following research it can be recommended that seller / Manufacturer must have knowledge about Consumer/Customer Behavior. Before making any product manufacturer/producer should make sound strategy for analyzing Consumer/Customer Behavior. It may increase success of product in market. Manufacturer should use Consumer/Customer Behavior as a external factor for business. Manufacturer should use Consumer/Customer Behavior in serious manner.

Suggestion

By the above study following are suggestion that Manufacturer/Producer must have knowledge about Consumer/Customer Behavior. Before making any product manufacturer/producer should make sound strategy for analyzing Consumer/Customer Behavior. It may increase success of product in market. Manufacturer should use Consumer/Customer Behavior as a external factor for business. Manufacturer should use Consumer/Customer Behavior in serious manner.

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Changing Environment And Role Of Human Resource Management

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Introduction

Human resource management is one of the functional management. Environment comprises of all those which have their bearing on the functioning of various activities in Human resource activities. Environment scanning helps H.R. manager become proactive to the environment which is characterized by change and intense competition. These changes require HRM to play an evermore crucial role in organizationThe human resource environment has also been changing and is marked characteristic like workforce diversity economic and technological change, globalization, organizational restructuring changing nature of work etc. HR environment is changing and so is the role of HRM to adopt the changing trends. The new HRM practices comprise of flatter organizations, employee empowerment, teamwork and ethical issue and so on. Therefore the knowledge of changing environment becomes a prerequisite to formulate an appropriate business and Human resource strategy.

Objective of the Study

1. Delineate the changing environment of human resource management.
2. Present the new management practices in changing environment

Methodology

For the present study the information is collected from various secondary sources like journal, magazine published Books and Newspaper.

Changing environment in workforce diversity

The Indian workforce is characterized by diversity that is deepening and spreading day by day It is likely to be more diverse as women, minority group member and other workers flood the work force due to a combination of factors like women's emancipation economic need, greater equality of sexes, education, social status and so on, additional pressure of managing a different set of problem at the work place have arisen, As such, the number of women is on increase in all walks of life i.e. teachers, lawyers, doctors, engineers, accountants, pilots, parliamentarians, editor, press reporters and soon.

However increasing number of women in the work force has been necessitating the implementation of more flexible work scheduling child care facilities, maternity and now paternity leave also and transfers to location of husband's place of posting. Also, as the work force ages, employers will have to grapple with greater health care cost's social security and higher pension contributions. On the whole the increased diversity of work force will place tremendous demand on the HR management function.

Economic and Technological change –

The new economic policy, 1991 has led to liberalization and globalization giving genesis to multinational organizations with their multicultural-dimension having certain implications of HRM. The Indian economy has already become an open economy but it will be moreso from April 2003 with the complete lifting of quantitative restrictions on imports in India.

Technology becomes the hall mark for the modern organization. As such modern organizations have become the technology driven organizations. So to say, men are replaced by machinery, manufacturing technology for example has changed to automation and robotisation. Manufacturing advances like these will eliminate many blue – collar jobs, replacing them with fewer but more highly skilled jobs. Similar changes are in taking place in office automation, where personal computers, word processing and management information system. (MIS) continue to change the nature office work. The explosive growth of information technology linked to the internet has ushered in many changes Throughout the organization

Globalization

The Globalization has given genesis to the multinational corporations. The MNC'S are characterized by their cultural diversities, intensified competition, variations, in business practices and soon. As an international business expert plus it. The bottom line is that the growing integration of the world economy into a single, huge market place is increasing the intensity of competition in a wide range of manufacturing and service industries. Given these conditions, from tapping the global labour force to formulating selection, training and compensation and any other related policies for expatriate employees have posted major challenges for HRM in the next few years.

Organizational Restructuring

Nowadays organizational restructuring is use to make the view, mergers and acquisitions of firms have become common form of restructuring t ensure organizational competitiveness. The mega mergers in the banking, telecommunications and petroleum companies have been very visible in our country. Downsizing is yet another form of organizational restructuring. There has been practice to flatten organizations by removing several layers of management and to improve productivity quality and service white also reducing costs, whatever be the formof restructuring, jobs are redesigned and people affected.

Changing Nature of work

The nature of job and work has also has also changed one most significant change in the nature of work is that it has changed from manual to mental knowledge work. The typical business will soon bear little resemblance to the typical business will be knowledge based, an organization composed largely of specialists who direct and discipline their own performance through organized feedback from colleagues, customers, and headquarters. For this reason, it will be what he calls an information based organization. As a result the organization are giving and will give growing emphasis on their human capital. i.e. knowledge education, training skills and expertise of employees, the expense of physical capital like equipment machinery and physical plant.

Changing Role of HRM

Flatter organizations

The pyramidal shape of organizations is converted into flat organizations reducing the ten twelve level to five seven levels. The increasing number of flat organization already abounds in the country. One main feature of flat organization among other things is that there are more people to report to the managers, they will be less able to meddle in the work of their subordinates.

The changes occurred in attitude and awareness of employees over the period have rendered this mode of managing employees as obsolete. Under the changed conditions when employee has become, what is popularly termed as a "knowledge worker", the employee need to be provided with greater autonomy through information sharing and provision of control over factors that affect performance

Team work

The concept of division at labour i.e. specialized function introduced by Adam smith remained in practice for a long period till the twentieth century But given the process oriented work nature of modern organizations, single function concept has ceased to its relevance. Modern organization or say, MNCS rely more or multi-function of workers so that workers do not remain confined to a single function but can do more than one function. This is a particularly so in case of increasing concern for downsizing by the organizations. In the words manager need to follow at holistic approach of management for managing such workers.

Ethical Management

The issue faced by HR managers has increased in number and complexity, so have the pressures and challenges of working ethically. Ethics means doing just or right. Ethical deals with what 'ought' to be done for HR manager, there are ethical ways in which the manager ought to act relative to a given human resource issue. However determining specific action is not always easy. Ethical issue in HRM often have dimension such as extended consequences multiple alternatives mixed outcomes, uncertain consequences and personal effects. "The real problem of HR mangers is how deal with these ethical dimensions?" Training of employees and HR managers in ethics compliance has been found to reduce the incidence of ethical problems.

Conclusion

As such the Human resource environment has changed. The challenge posed by changed environment is fostering intellectuals or human capital needs managing these differently than those of previous generation. Managers operate in a complex environment. The Human resource manager of today may find themselves obsolete tomorrow in the changed business environment if they do not adopt HR Practices suiting to the environment. As such new role or practices have emerged to successfully respond to the changes. HR manager nowadays facing diverse work force economic and technology change, globalization, organization structuring and changing nature of work.

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Assessment Of Human Capital : An Approach To Effective Organizational Development In India

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Introduction

The human resources is considered to be the most essential element in achieving organizational objectives. The skills and knowledge of personnel represents capital, because they enhance productivity. People add value to a firm, thus it is necessary for the organizations to do a proper & accuate evaluation of the human capital. This system of measuring and evaluating the value of human capital of a firm in its books of accounts is known as Human Resource Accounting. The present study is aimed to show the various aspects of Human Resource Accounting towards effective organizational development. Also, this paper presents a review on the significant impediments without human resource accounting with reference to Indian companies. The major inferences drawn in the following paper states that guidelines must be framed by the Accounting Standard Board of India to make this system mandatory for Indian companies. Also, initiations must be taken by the governement and different stakeholders of busniess so as to make this system acceptable. The success of any organization majorly depends on the caliber and character of the people working in it. In any organization, the most important input is the human element.

Objective

(1) To study the origin of the concept of Human Resource Accounting (2) To present the aspects of Human Resource Accounting in effective organizational development. (3) To review the impediments without Human Resource Accounting in Indian companies.

History & evolution

With a significant growth in manufacturing and service sector, there has been an increasing importance of human resources to the economy as a whole, as well as to the individual organizations.

A great deal of research has been directed towards discovering and developing techniques to evaluate the human resources as assets in the books of accounting. This area of accountancy has come to be known as Human Resource Accounting.

Human Resource Accounting (HRA) has been defined by the American Accounting Association's Committee on Human Resource Accounting as "the process of identifying and measuring data about human resources and communicating this information to the interested parties". It involves measuring the cost incurred by business, firms and other organizations to recruit, select, hire, train and develop human assets. It also involves measuring the economic value of people to organization. The first developmental stage of Human Resource Accounting started in the year 1960 to 1966, which came from a variety of sources such as economic theory of human capital, organizational psychologist's concern for leadership effectiveness, the new human resource perspective, and a concern for human assets as components of corporate goodwill. The second stage occurred from 1966 to 1971 was a period of basic academic research to develop and assess the validity of models for the measurement of human resource cost (both historical and replacement cost) and value (both monetary & non monetary). The period of 1971 to 1976 was the third stage of development of HRA with a rapid growth of interest in Human Resource Accounting. The Western world and specially Australia & Japan were concerned with a great deal of academic research in this field. The fourth stage from 1976 to 1980 was the declining phase of HRA in both academia and in corporate world. It faced a lack of research interest among the scholars and absence of cooperation from organizations needed to serve as research sites for applied research studies. From the year 1980 to present can be termed as the Fifth stage in the evolution of HRA. The current stage has emerged as a renaissance of interest in the theory and practice of Human Resource Accounting.

Role of HRA in effective organizational development

The success of any organization purely depends on the skillful utilization of its human resources. The organization may own ample physical resources with most up-to-date technology but it cannot replace the skills, creativity and ability of human work force. The companies who identifies and appreciate the value of their human assets definitely paves their way for effective organizational development. They treat human resources as capital assets which has a likely impact on the financial and managerial decision taken by the top level managers. Here the process of human resource accounting plays a vital role in identifying and measuring data about the organization's manpower and communicating these information to the respective departments. It will be more accurate to say that human resource accounting also act as an information system to the management for taking appropriate decisions at correct point of time.

The rationale behind human resource to be included in accounting is first, people are valuable resource to a firm so long as they perform services that can be quantified. Second, the value of person as a resource depends on how he is employed Thus, human resource accounting also plays a significant role in the improving the working style of management which further helps in the growth and development of the organization as a whole.

Human Resource Accounting: An Indian Scenario

In this era of globalization, Indian companies are competing hard to emerge as a modern corporate sector in the international market. With regards to this, human resource accounting concept may serve as a vital tool for them in order to increase organizational efficiency. But, the momentum of HRA is still very slow in India.

In India, The Companies Act, 1956 does not explicitly provide for disclosure on human assets in the financial statements of the companies. But sensing the benefits derived from valuing and reporting the human assets, many companies have voluntarily disclosed all relevant information in their books.**3** The Council of the Institute of Chartered Accountants of India (ICAI) has constituted the Accounting Standard Board (ASB) in April 1977. The main function of the ASB is to formulate Accounting Standards (AS). The ICAI is also one of the members of the International Accounting Standards Committee (IASC).

Although a commendable job has been done by ICAI by exploring new areas in accounting discipline and not only that, it has kept his eye to ensure the smooth approval of these accounting standards by the Indian organizations. But the most disappointing fact is that ICAI has not been able to indoctrinate any specific pattern to follow human resource accounting system by the organizations. Neither, any definite accounting standard has been generated on the systematic evaluation and reporting of human assets cost and value.

Impediments without Human Resource Accounting

Limitations of Financial statements – The investments made on the human resources are treated as expenses rather than as assets in the books of accounts which results in distorted income statements and balance sheets. In the income statement, the 'net income' is distorted because accountants present the figures as 'expenses' which regards to the expenditures done on the acquisition and development of the human resources as expenses during the period incurred. The balance sheet is distorted because the section of 'total assets' lags the company's human assets valuation. Thus, there is no actual presentation of the figures undertaken with a view to improve the efficiency and productivity of human capital.

Decreasing value of human assets – Without appropriate evaluation of human resources, the management may not identify the hold-up areas of its personnel and thus results in negative appraisal system.

Poor Human Resource Information system – The success of any organization much depends on the kind of information which is been provided to its internal and external stakeholders. Without human resources accounting, a company may not provide sufficient and required information on its personnel to its stakeholders, especially investors, bankers, government and public.

Limitations of managerial decisions – In absence of accurate human resource information system, the managerial decisions related to recruitment, selection, training, development, promotions and appraisals may suffer which in turn may proves to be a negative impact on employee's productivity and morale.

Limitation to value added per employee – The absence of human resource accounting system in organization may lack the quantitative figures which presents the contributions made by the employees towards the organization in achieving given targets. This may also hinder in calculating the utilization ratio of existing manpower in the company.

Conclusion

It has been observed that internationally, the system of Human Resource Accounting practices has surely raised the bar in organizational developments. In India, it is the need of hour, to frame proper guidelines, policies and standards in respect to the human resources accounting practices in Indian corporate houses. In this reference, the initiative must be taken by the Government and Accounting Standard Board (ASB) to make a statutory compliance of HRA practices in India. As a matter of fact, all the internal and external stakeholders of a company also play an imperative role in the voluntary acceptance of HRA practices in their organizations. This symbolic enhancement will make a remarkable contribution towards the overall organizational development.

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Conceptual Study On Human Resource Valuation And Accounting

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Introduction

It is widely recognized that human resources are no lesser important than other productive resources. However the recognition of importance of people in organizations as productive resources by the accountants is a recent origin. It was in 1960's that behavioral scientists attacked the conventional accounting practice for its failure to value the human resource of the organisation along with other productive resources. They pointed out that the failure of accountants of value human resources was a serious handicap for effective management. As a consequence, valuation of human resources has received widespread recognition. In the course of time a number of accounting models have been developed to value and report human resources of an organisation. In the management terminology this is called as Human Resource Accounting (HRA). Advocates of HRA consider the importance of the human element in organizations and the failure of conventional accounting in dealing with it as an asset. In its simplest form HRA involves the identification of the costs of recruitment, training and maintenance of an entity's human assets.

HRA the systematic recording of the transactions relating to the value of human resources. It is a process of identifying and measuring data about human resources and communicating this information to interested parties. It is also the measurement of cost value of people for organisation. HRA is the systematic recording of the transactions relating the value of the human resources. The importance of people in the organisation as productive resource was conspicuously ignored by the management, but now-a-days it has received increasing attention and widespread interest in developing the system of HRA. The productivity of a company's investment is known for the rate of return, which is calculated on the basis of physical assets investment only. There is a need to find out productivity of investment on human beings in any organisation. It is an effective tool for decision-making.

Human resources have certain distinct characteristics from other physical assets like personality, self control, devotion, quality, skill talents, loyalty and initiativeness. It is a basic need of present time to improve productivity that can be improved by the human force. Hence to encourage, it is necessary to account them and to take progressive decisions for them.

Purpose of Human Resource Accounting

HRA helps in developing financial assessments for the people within the organisation. However, the specific objectives of HRA may be outlined such as, to assist the management in taking suitable decisions regarding investment on human resources, to provide information to all people concerned regarding the earning potential of human resources of the organisation, to assess efficiency of human resources in obtaining productivity and profitability, and to provide comparative information regarding costs and benefits associated with investment in human assets.

It is an attempt to identify and report investments made in the human resources of the organisation that are not presently accounted for under conventional accounting practice. Basically, it is an information system that tells the management what changes over time are occurring to the human resources of the business. In a nutshell HRA involves measurement and valuation of human resources and communicating the information so generated for internal and external decision-makers.

Significance of Human Resource Accounting

HRA as a managerial tool can be used for effective management of human resources. In the field of managerial decision-making, the human resource data as part of management information system helps in making meaningful choices between various types of human investments and investments in other assets. By measuring the value of human resources at different points of time, HRA can reveal whether the management is building up human resources or depleting them. The information generated through HRA can help the management in formulating policies and programmes for the development of human resources. Such information can be of utmost help for making decisions in the following areas:

- Man power planning.
- Appraisal of human resource development programmes.
- Identification of training needs.
- Usefulness of cost reduction programmes in view of their possible impact on human relations.
- Studying the impact of budgetary control on motivation and morale of employees.

- Facilitating allocation, conservation and reward of human resources.

Human Resource Accounting Models

Traditional accounting system treats human resources as current cost and charges such cost as of revenue nature. On the basis of contractual obligation, the organisation, pays only salaries, wages and related fringe benefits for human resources, i.e. what the organisation pays in under normal methods of accounting chargeable to revenue only and no human resource is carried over as asset in the balance sheet. The latest thinking on HRA considers such resources as capital items. From time to time many models have been suggested for the valuation of human resources. These models can broadly be classified into cost models and economic valuation models.

The cost models of HRA fail to recognise the factors which determine the economic value of human resources. Also no serious effort is made in these models to identify factors which can enhance the value of human resources. The historical cost model resources on the basis of capital cost incurred to acquire and develop these resources. Since this model fails to recognise the economic value of human resources of an organisation, the data generated through this model is too little significance for making decisions regarding matters relating to human resource development. The replacement cost model seeks to incorporate the current value of company's human resources in its financial statements. However this model cannot be used in practice as it is really difficult to find identical replacements of existing employees. The opportunity cost model is based on the economist's concept of opportunity cost. This method can be used for computing the value of those employees only who can be employed on alternative jobs. This method fails to measure the value of those employees who are specialists in certain fields. From the above analysis it can be said that cost models of HRA are of little use in the process of Human Resource Development.

HRA Models and Human Resource Development

The usefulness of a HRA model in the process of HRD would depend upon how best it meets certain basic requirements. These requirements are that the model should identify the factors which determine the value of human resources. The model should identify the factors which can improve the value of human resources. The model should be capable of measuring the value of human resources operationally. A model can be made operational only if the data which it requires can be made available. Very often, a model can be theoretically sound but, if the required data are not available its usefulness shall be greatly reduced. The information generated by the model should help users to make decisions relating to the process of human resource development.

Conclusion

The concept of HRA is of recent origin and is struggling for its acceptance even in the west. It is said that this concept does not hold good to labour surplus economies of developing countries like India. An analysis of present day situations prevailing in India makes it clear that this concept is of paramount importance here than perhaps to the west. In India, a growing trend towards the measurement and reporting of human assets, particularly in the public sector is noticeable during the past few years.

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Right To Reject (NOTA) : View Of Academicians (Teachers) With Special Reference To Orientation Course Programme Conducted By ASC Pt. R.S.U. Raipur (C.G.)

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Introduction

In a landmark verdict, the Supreme Court held that citizens have right to cast negative vote rejecting all candidates contesting polls, a decision which would encourage people not satisfied with contestants to turn up for voting.

The apex court directed the Election Commission to provide 'none of the above options' at the end of the list of candidates in electronic voting machines (EVMs) and ballot papers to allow voters to reject those contesting polls.

A bench headed by Chief Justice P Sathasivam said that negative voting would foster purity and vibrancy of elections and ensure wide participation as people who are not satisfied with the candidates in the fray would also turn up to express their opinion rejecting contestants.

It said that the concept of negative voting would bring a systemic change in the election process as the political parties will be forced to project clean candidates in polls.

Earlier Rule for NOTA

Rule 49-O is a rule in The Conduct of Elections Rules, 1961 of India, which governs elections in the country. It describes the procedure to be followed when a valid voter decides not to cast his vote, and decides to record this fact. The apparent purpose of this section is to prevent the election fraud or the misuse of votes.(The Conduct of Elections Rules, 1961)

Since the ballot paper or electronic voting machine (EVM) shows only the list of candidates, a voter cannot record his vote under Section 49-O directly, but must inform the presiding officer at the election booth. This violates the secrecy of the ballot. However, with paper ballot one can "waste" one's vote by stamping on multiple candidates; this was the standard method of giving null votes without violating secrecy before the advent of the EVM.

At present, in an election, a winner will be declared irrespective of the number of 'non-votes'. However, a note of every 'non-vote' will be made with the Election Officer, and the total number of non-voters will, presumably, be available under the Right to Information Act.

On 27 September 2013, the Supreme Court of India ruled that the right to register a "none of the above" vote in elections should apply, noting that it would increase participation. The judges said that this "would lead to a systemic change in polls and political parties will be forced to project clean candidates". "Democracy is all about choices and voters will be empowered by this right of negative voting," said the order passed by a bench headed by Chief Justice P Sathasivam.

The "none of the above" (NOTA) choice differs radically from "right to reject" (RTR). Although the votes registered as NOTA are counted, they will not change the outcome of the election process.

The Supreme Court ordered the Election Commission to provide a NOTA button on the voting machine which would give voters the option to choose "none of the above". The Election Commission has said that the judgment will be implemented immediately. Although frequently termed a "right to reject" in India, a former head of the Election Commission has noted that it is not in fact such a thing.

The Supreme Court of India ruling in September 2013 that a NOTA option must be implemented does not affect a campaign by the Aam Aadmi Party for RTR. The Aam Aadmi Party's RTR concept is intended to allow a situation whereby if sufficient people vote to reject then the election is voided and a new election would be held.

Methodology Research Methodology

Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying how research is done scientifically. In it we study the various steps that are generally adopted by a researcher in studying his research problem along with the logic behind them. It is necessary for the researcher to know not only the research methods/ techniques but also the methodology.

Research Design

The formidable problem that follows the task of defining the research problem is the preparation of the design of the research project, popularly known as the "research design". This research is basically an Exploratory cum Descriptive research.

Data Source

Primary Data We collects primary data during the course of doing experiments in an experimental research but in case we do research of the descriptive type and perform surveys, whether sample surveys or census surveys, then we can obtain primary data either through observation or through direct communication with respondents in one form or another or through personal interviews.

1. Questionnaire,
2. Telephonic Interview,
3. Mails,
4. Warranty Cards.

Secondary Data

Secondary data means data that are already available i.e., they refer to the data which have already been collected and analyzed by someone else. Secondary data may either be published data or unpublished data.

1. Company Profile,
2. Brochure
3. Internet

Data Analysis

Data analysis will be done through Average Percentage Method & the reason for choosing this method is that we are taking sample of 30 people.

Universe

All items in any field of inquiry constitute a UNIVERSE. A complete enumeration of all items in the universe is known as census enquiry. It can be presumed that in such an inquiry when all items are covered, no element of chance is left and highest accuracy is obtained, but in practice this may not be true.

In my research I have taken Orientation Course Programme as a universe.

Sample

A part of the universe is known as SAMPLE. The method consisting of the selecting for study, a portion of the 'universe' with a view to draw conclusions about the 'universe' is known as sampling.

In my research I have taken 30 as a sample.

Interpretation

This Answer shows that all Respondents have completed their 18 year age. This Answer shows that all Respondents are Eligible for Voting Right. By the following question it is interpret that 27 Respondent have knowledge about NOTA and 3 Respondent do not have any knowledge about it. By the above question it is interpret that 10 Respondent know that there is provision on THE CONDUCT OF ELECTION RULE 1961 for Rejecting a candidate and rest 20 respondent do not have any Knowledge about that. By the above question it is interpret that 27 Respondent think Supreme Court took revolutionary Decision on rejecting a candidate by Ballet machine (EVM) and 3 Respondent did not answer it. By the above question it is interpret that 25 Respondent say that Right to reject is their Fundamental Right and 05 Respondent do not think that it is their Fundamental Right. By the above question it is interpret that 20 respondent think due to right to reject political party will choose right candidate for eletion while 10 respondent do not think so that their will be any effect of Right to reject for Selecting Candidate. By the above question it is interpret that 10 Respondent use right to reject while 20 respondent do not use right to reject in any election. By the above question it is interpret that all respondent said that they will use their Right to Reject in upcoming election. By the above question it is interpret that 25 Respondent think by Right to reject party has to take strong decision on those candidate who belongs to criminal category and 10 Respondent think that their will be no effect of Right to reject on selecting Candidate. By the above question it is interpret that 25 respondent feel that Right to Reject there will be some changes in political party and 05 candidate do not think that their will be any changes on political party due to Right to reject. By the above question it is interpret that 28 respondent aware people of their society about Right to Reject 02 candidate do not think that they will aware people of your society about Right to Reject. By the above question it is interpret that 28 respondent think election commission should organize awareness programme for voter regarding Right to Reject and 02 candidate do not think that election commission should organize awareness programme for voter regarding Right to Reject. By the above question it is interpret that 28 respondent think that political party should organize awareness programme for voter regarding Right to Reject and 02 candidate do not think that political party should organize awareness programme for voter regarding Right to Reject. By the above question it is interpret that 25 respondent Know that Right to Reject comes under criteria of RIGHT TO INFORMATION and 05 candidate do not know that Right to Reject comes under criteria of RIGHT TO INFORMATION.

Limitation of the Study

Despite my sincere efforts the result obtained from the study cannot be claimed 100% accurate. While conducting survey on topic we have to face some limitation on Institution regarding answer of question and some other aspects.

- Time was the main constraints or hurdle to complete proper and diagnostic survey.
- The respondents belonged to different department so it was quite intricate to collect the questionnaire.
- As they were busy in their Refresher Course it was hard to abstract the actual result from the respondents as they may be biased.
- The responses also depend upon the pressure or stress the respondents are at the time of answering the questions.

Limitation of the Project

The project work required full concentration and personal visit to the different department. In order to collect data and information regarding the required elements for reaching the objective, the work became limited because of the main problems faced during this project work like:-

- Most of the respondents did not response in proper manner they were much hesitated to answer.
- Some respondents did not want to disclose the actual fact of their experience of the work they are doing and the work culture.
- Due to 20-sample size we may not cover all the respondents of Institution.
- The response given by the researcher was not always accurate since satisfaction is quantitative indicator of the respondents regarding their understanding of satisfaction.
- Generally respondents are based to the question raised, thus the result of research will have error and the very purpose of research is lost their took almost care while dealing with respondents.

Conclusion

After conducting research study on Orientation Course Programme Pandit Ravishankar Shukla University Raipur I have found following conclusion of my study:

- Respondent having knowledge about NOTA.
- Political party and Election Commission should aware people about Right to Reject.
- Supreme Court took revolutionary Decision on rejecting a candidate by Ballet machine (EVM).
- By Right to reject party has to take strong decision on those candidate who belongs to criminal category.
- Respondent do not know THE CONDUCT OF ELECTION RULE 1961 also has provision to Right to Reject.
- Respondent know that Right to Reject comes under criteria of RIGHT TO INFORMATION.

Suggestion

As per the reviews from the Respondents the suggestions are Awareness about Right to reject should be there. Political party should select right candidate for election. Political party should organize awareness programme for voter regarding Right to Reject. People should aware their society about Right to Reject

Recommendation

After conducting survey following recommendation come to an existence by respondents answer. Awareness about Right to reject should be there. Political party should select right candidate for election. Political party should organize awareness programme for voter regarding Right to Reject. People should aware their society about Right to Reject.

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Introduction

A banking company is defined as a company which transacts the business of banking by stating the essential functions of banker. It also states various other businesses a banking company may be engaged in and prohibits certain businesses to be performed by it. Banks and financial institutions (FIs) are in the process of great change in the context of the ongoing financial sector reforms and the emerging competitive financial system within and outside the nation. With the widening and deepening of markets for long-term funds, the justification for further prolonging the role of subsidized credit from banks and FIs has weakened; more so because prolonged concessional finance by the Government has been deemed to be neither sustainable nor desirable. This is consistent with the process of financial sector reforms, with its focus on allocative efficiency and stability. With the withdrawal of concessional sources of finance of banks and FIs and blurring of distinction between FIs and banks, FIs not only have to raise resources at market-related rates but also have to face a competitive environment on both asset and liability sides. Moreover, structural changes in the financial system coupled with the industrial slowdown in recent years have adversely affected the volume of business and profitability of FIs. Banks are becoming increasingly complex organisations. Investors are finding it harder to understand the quality of financial performance and risk exposures of banks. The traditional set of information as contained in banks' balance sheet often fails to convey information to readers of financial statements that can enable them to ascertain the quality of earnings. Accordingly, supervisors world-wide are making conscious efforts towards increasing the quality and quantity of disclosures in banks' balance sheets. Transparency challenges are met where market participants not only provide information, but also place the information in a context that makes it meaningful to accurately reflect risks. The quest for transparency has, therefore, to be continuous and persistent.

Increasing competition among banks, emanating not only from peers, but also from new entrants and other intermediaries, has been exerting pressure on bank spreads. The technology-intensive new private and foreign banks are positioning themselves as 'one-stop-shop' financial services and providing customers greater convenience and high quality services backed by appropriate investments in technology and other infrastructure. Therefore, the future profitability of public sector banks would depend on their ability to generate greater non-interest income and control operating expenses. Since retail customers are fast becoming more demanding, in the competitive environment, banks have to offer the value-added services. Harnessing technology to improve productivity so as to produce highly competitive types of banking and generating greater non-interest income by diversifying into non-fund based activities will be important features of the Indian banking of tomorrow. In view of this changed environment, banks FIs are in the process of adjusting business relationship with their customer. The bank customer relationship is an emerging area that has attracted the attention of many stakeholders in this regard. Therefore it is necessary to take up the relationship that exists between a banker and his customer.

Objectives of the Study

- To know the banking services
- To review the concept of banker and customer.
- To understand the relationship between banker and customer.
- To follow modern services provided by banker.

Analysis

There has been much controversy regarding the definition of the term banker. The essential function of a banker is the acceptance of deposits of funds with drawable on demand. Section 5(a) of the Banking Regulation Act defines banking company as a company, which transacts the business the business of banking. In order to understand the nature of a banking company, one will have to look into the definition of the term 'banking'. In simple words it can be defined as trading in money and instruments of credit. According to section 5(b) Banking means the accepting for the purpose of lending or investment of deposit of money from the public, repayable on demand or otherwise and withdrawal by cheque, draft, order or otherwise. The service of a modern banker is different. These additional functions can be grouped under two broad heads (a) Agency service (b) general utility services. The agency services comprise of payment and collection of cheques, bills, promissory notes, salary and pension bills, purchase and sale of stock and share, etc. The general utility services of the banker include the issue of credit instruments, letters of credit, traveler cheques, transactions of foreign exchange, acceptance of valuable and documents for safe custody, provision of facilities for safe deposit lockers, administration of estates as trustees, executors etc.

But law does not define the term customer of a bank. Ordinarily a person who has an account in a bank is considered its customer. In chambers dictionary, it is written, A customer is one who is accomplished to frequent a certain place of business. Therefore, neither the number of transactions nor the period during which business has been conducted between the parties is material in determining whether a person is a customer. The accepted position at present recognizes a customer as one who satisfies. A customer is one who has an account with a banker or for whom a banker habitually undertakes to act as such.

Relationship between Bank and Customer

The relationship between a banker and his customer is basically contractual. It is regulated by the general rules of contract, rules of agency where applicable and Banking practice. Of the several possible relation ships between a banker and his customer, the primary one is that of debtor and creditor. But who is what at a particular moment depends on the state of customer accounts. If the account shows a credit balance, obviously the banker is a debtor and the customer a creditor. Reverse shall be the position when the customer account shows an overdrawing. Then there are three are tree possible other relationships depending upon the receptive state of circumstances such as Bailer and bailee, Principal and agent, Trustee and beneficiary.

Debtor and creditor relationship

The general relationship between a banker and his customer is basically that of debtor and creditor. If the account shows a credit balance, the banker will be a debtor and the customer a creditor. But in case of debit balance or overdraft, the banker will be the creditor and the customer the debtor. When the customer deposits money in the bank by opening an account, it amounts to lending money to the banker. The bank can make use of this money as it is absolutely at the disposal of the bank. The bank undertakes to repay the amount on demand. It has been rightly said that a banker is normally a debtor of his customer and is bound to discharge his indebtedness by honoring his customer's cheque. One important point to be understood in this connection is that the banker is no bound to pay the customer unless demand is made. However, when the demand is made, the bank can pay the amount deposited by the customer in any kind of notes and coins, thus a bank is no a mere depository of trustee. The banker only undertakes to ray a sum equivalent to the amount deposited with his and the customer has no right whatsoever to claim the identical coins or notes deposited with him.

- **Banker as a trustee:** The bankers assumes the position of trustee when they accepts securities or valuables from the customer for safe custody. The articles deposited with the bank for safe custody continue to be owned by the customer. The banker is to deal with the articles as per the instructions of the customer. The banker is a trustee of the customer in respect of cheques and bills deposited buy the customer for collection till they are collected. He becomes the debtor once it is collected and credited to the account of the customer. If the bank is liquidated before the cheques is realized the bank remains a trustee of the customer. Therefore, the customer can claim back the cheque or the proceeds of the cheque in full.
- **Banker as agent:** A banker acts as an agent of his customer and performs a number agency function for the convenience of his customer. Some banks have established tax service departments to take up the tax problems of their customers.
- **Bailee and bailor:** Another relation between the banker and the customer is that of bailee and bailor. The bank functions as bailee when it keeps valuable articles, diamond, gold, securities and other documents of its customers. The bank works, as the custodian of these things and it is implied responsibility of the bank to return these things safely. Thus the bank is a bailee and the customer is a bailor or beneficiary.

Conclusion

The traditional functions of a banker are accepting of deposits and landing of money. But the services of a modern banker also include agency services and general utility services. These services comprise of payment and collection of cheques, bills, promissory notes, salary and pension bills, issue of credit instruments, letter of credit, etc. A customer is one who has an account with a banker. The relationship between a Banker and his customer is contractual and is regulated by general rules of contract, the rules of agency and banking practices in vogue. The general relationship between a banker and his customer is basically that of debtor and creditor. If the account shows a credit balance, the banker is debtor and the customer a creditor. The vice versa is true in case of a debit balance.

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The Determinants Of Banking Sector Governance : An Indian Experience

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Introduction

In the present competitive economic scenario, the banks have a pivotal role to play in financial and economic system of a developing country, Bank failure owing to unethical or incompetent management action poses a threat not just to the shareholders but to the depositing public and the economy at large. Two main features set banks apart from other business – the level of opaqueness in their functioning and the relatively greater role of government and regulatory agencies in their activities. The very nature of the business makes it extremely easy and tempting for management to alter the risk profile of banks as well as siphon off funds. It is, therefore, much more difficult for the owners to effectively monitor the functioning of bank management. Existence of explicit or implicit deposit insurance also reduces the interest of depositors in monitoring bank management activities. It is partly for these reasons that prudential norms of banking and close monitoring by the central bank of commercial bank activities are essential for smooth functioning of the banking sector. The RBI has moved to a model of governance by prudential norms rather from that of direct interference, even allowing debate about appropriateness of specific regulations among banks. Along with these changes, market institutions have been strengthened by government with attempts to infuse greater transparency and liquidity in markets for government securities and other asset markets. This market orientation of governance disciplining in banking has been accompanied by a stronger disclosure norms and stress on periodic RBI surveillance. From 1994, the Board for Financial Supervision (BFS) inspects and monitors banks using the "CAMELS" (Capital adequacy, Asset quality, Management, Earnings, Liquidity and Systems and controls) approach. Audit committees in banks have been stipulated since 1995. Greater independence of public sector banks has also been a key feature of the reforms.

Statement Of The Problem - The present paper seeks to evaluate the critical aspects concerning the progression of corporate governance in Indian banking sector with the experiences drawn from the study of selected public and private sector banks.

Objectives Of The Study

(1) To understand the framework for the measurement of quality of Corporate Governance. (2) To measure the quality of Corporate Governance in the selected public and private sector banks.

Literature Review

The corporate governance debate was driven partly bythe subsequent enquiries into corporate governance (most notably the Cadbury Report) and partly by extensive changes in corporate structure. In May 1991, the London Stock Exchange set up a Committee under the chairmanship of Sir Arian Cadbury to help raise the standards of corporate governance and the level of confidence in financial reporting and auditing by setting out clearly what it sees as the respective responsibilities of those involved and what it believes is expected of them. The Committee investigated accountability of the Board of Directors to shareholders and to the society. It submitted its report and the associated „Code of Best Practices' in December 1992 wherein it spelt out the methods of governance needed to achieve a balance between the essential powers of the Board of Directors and their proper accountability. **Kant** has established the relationship between the governance level of selected companies along with their key attributes such as PAT, Total Assets, Operating Profits, Sales, ROI, and Market Capitalization etc. and has concluded that Indian companies have better quality of governance than that of MNCs. **Mishra** analyses corporate governance from valuation standpoint. He advocates that anything that exists can be quantified and thus measured. Corporate Governance can be measured by value imperatives. The scope of using balanced scorecard and Economic Value Added (EVA) as measures has been discussed with the pros and cons of the techniques. **Gopalsamy** states that the board of directors needs to be more competitive to undergo the complex processes of corporate governance so as to achieve corporate excellence. **Bakshi** analyses the issues in good governance adopting stakeholders' approach. Basic issues stated are the effectiveness and accountability. Whereas effectiveness is measured by performance, the accountability is largely in matter of disclosure, of transparency, of explaining a company's activities to those to whom the company has responsibilities. The various stakeholders have divergent expectations, and reconciliation of their conflicting interests is a challenging task.

Research Methodology - In the analysis of governance scores in total and group of items/ broad parameter wise, mean, range (maximum and minimum), standard deviation (S.D.), coefficient of variation (C.V.) have been used. Pearson's coefficient of correlation (r) has been used to study the relation between each attribute and governance scores. The use of simple regression model has been made to know what change a particular company attributes can make to the governance score.

Sample of study

The sample for the purpose of study constituted of 10 banks- 5 each from nationalized and private sector. The banks selected for the purpose of study have been taken from list of 'Category A' scrips listed at Bombay Stock Exchange.

Table 1: List of banks constituting the sample of study

Nationalized Banks	Private Sector Banks
1. Bank of India	1. HDFC Bank Ltd.
2. State Bank Of India	2. ICICI Bank Limited
3. Canara Bank	3. Indusind Bank Limited
4. Punjab National Bank	4. Karur Vysya Bank Limited
5. Bank of Baroda	5. Kotak Bank Ltd.

The duration of the study is of one year (2011-12) i.e. the year for which the annual reports of selected banks have been taken as the source of information. The data for the purpose of study has been taken from the annual reports of selected banks for year 2011-12. Also the training centers of banks have been visited personally so as to develop the understanding of issues associated with subject matter of research.

Analysis and Discussion

The governance score for banks for the year 2011-12 both parameter wise and in total out of 100, have been shown in the table 2

The study reveals that on making the overall comparison of all the banks the highest score of 74.14 has been obtained by HDFC Bank Limited while the least has been in case of Kotak bank Ltd. which has got the score of 51.73.While making the segment wise analysis it is noted that amongst the nationalized banks the maximum score has been obtained by Canara Bank i.e. of 56.74 and least has been obtained by State Bank of India of 52.21. Amongst the private sector banks, maximum has been scored by HDFC (74.14) and least by Kotak Bank of 51.73 out of 100. The average in case of nationalized banks is 55.08 and in case of private sector banks it comes out to be 62.90. While comparing parameter wise scores, the maximum obtained in case of A (Board of directors and its composition) is 18 out of 20 by HDFC Bank Limited and minimum is 12 obtained by State bank of India. For parameter B (Board Committees and their Composition), the maximum of 15 out of 15 is obtained by HDFC Bank Limited and a minimum of 7 is scored by two banks namely, State Bank Of India and Bank Of India. Parameter D, the maximum score is obtained by HDFC Bank as it has the maximum number of items in its annual report out of the total items adopted in disclosure index while least has been of KOTAK Bank Limited as it has minimum number of items in the annual report out of total items adopted in disclosure index. In the last, Parameter E (Performance and Financial Position), high performing bank like ICICI Bank has scored maximum of 21 while the least is of Indusind Bank Limited of 12.5.

Bank wise Governance Score (based on perception weights)

Governance scores have been determined on the basis of perception weights in respect of broad parameters. The perception weights taken are same as those taken by Dr. Kamal Kant in his research work done in same area. The parameter wise scores have been obtained by multiplying their respective perception weights. Bank wise governance scores based on perception weights.

The table reveals that there has not been much change in the overall category as the maximum score has again been obtained by HDFC Bank Limited of 74.59, while the least has been of 52 obtained by State Bank of India. When the segment wise analysis are done, it is noted that in case of nationalized banks the mean score is 50 while in case of private sector banks the same has value of 60 which thereby indicates better performance of private sector banks as compared to nationalized banks.

Bank wise Governance Scores (Based on perception weights): A statistical comparison

Statistical values under various measures used in respect of governance scores in total as well as for broad parameters of quality of governance used in the study have been calculated. The maximum score is 74.59 for HDFC Bank Limited whereas the minimum is 52 of State Bank of India. The mean governance score is 58.92 which are quite low, and shows in the light of range differential between maximum and minimum scores, a large number of banks have scores on the lower side. The standard deviation and coefficient of variation values of 6.74 and 0.11 indicate the deviations from mean score in case of majority of banks.

Findings And Conclusion

The quality of governance has been ascertained for the year 2011-12 on the basis of 'Governance Index' in respect of 10 banks (5 nationalized and 5 private), by assigning them scores on various parameters. The framework for construction of Governance Index has been adopted from study of Kant. HDFC Bank Limited has obtained the maximum score of 74.59 followed by ICICI Bank Limited with the score of 65.75. The least score has been obtained by KOTAK Bank Limited of 51.73. The overall mean score of all the banks is 58.92 with standard deviation and coefficient of variation values being 6.74 and 0.11 respectively. While classifying banks on basis of scores a large majority of banks i.e. 11 out of 14 have scores in the range of '50 but less than 60'. Only one bank has been able to score above 70 i.e. HDFC

Bank Limited. Analyzing the scores of private sector and nationalized banks separately it has been found that private banks have fared better than nationalized banks with former having mean score of 62.78 as compared to the score of 55.06 in latter case. However there exists variability in the scores of private sector banks with standard deviation and coefficient of variation being 7.73 and 0.12 respectively, while the same values are comparatively low to the extent of 1.93 and 0.04 in case of nationalized banks.

The maximum score for Parameter A (Board of Directors and its composition) is 20.93 for HDFC Bank Limited and minimum of 11.63 for KOTAK Bank Limited, thus leading to range differential of 9.30. In Parameter D (Disclosure Level) which is an indicator of transparency in the affairs of bank, the maximum score has been scored by HDFC Bank Limited (8.53) and minimum by KOTAK Bank Limited (5.48), leading to range differential of 3.05. Lastly, for Parameter E (Performance and Financial Position) maximum score is 20.29 of ICICI Bank Limited and least is of IndusInd Bank Limited (12.08). The range differential in Parameter E comes out to be 8.21 which are same as of Parameter B.

The average scores for Parameters A,B, C, D and E are 15.86, 10.41, 10.04, 6.88 and 15.73 respectively, thereby indicating that banks have scored quite high in Parameters A and E while scoring is not quite good in case of Parameter D which has least mean score of 6.88. As far as variability in the scores of banks under various parameters is concerned, it is maximum in case of Parameter B (Board Committees and their Composition) with coefficient of variation being 0.30 and least for Parameter D (Disclosure level) which has coefficient of variation 0.13.

The quality of governance is better in case of private sector banks as reflected by higher mean governance score than that of nationalized banks. Also greater variation is found to be more amongst private banks rather than nationalized banks. While making parameter wise comparison, the banks have performed well in case of Parameter A (Board of directors and its Composition) and also in case of Parameter E (Performance and Financial Position). The variability among various parameters as per the previous study was in case of Parameter C while in the present study variability exists most in the case of Parameter B (Board Committees and Composition), where coefficient of variation is found to be more than all other parameters.

Suggestions

Transparency and disclosure standards are important constituents of a sound corporate governance mechanism. Transparency and accounting standards in India have been enhanced to align with international best practices. However, there are many gaps in the disclosures in India vis-à-vis the international standards, particularly in the area of risk management strategies and risk parameters, risk concentrations, performance measures, component of capital structure, etc. Hence, the disclosure standards need to be further broad-based in consonance with improvements in the capability of market players to analyze the information objectively.

The off-site surveillance mechanism is also active in monitoring the movement of assets, its impact on capital adequacy and overall efficiency and adequacy of managerial practices in banks. Prompt corrective action has been adopted by RBI as a part of core principles for effective banking supervision. As against a single trigger point based on capita adequacy normally adopted by many countries, Reserve Bank in keeping with Indian conditions have set two more trigger points namely Non-Performing Assets (NPA) and Return on Assets (ROA) as proxies for asset quality and profitability. These trigger points will enable the intervention of regulator through a set of mandatory action to stem further deterioration in the health of banks showing signs of weakness. Regulators are external pressure points for good corporate governance. Mere compliance with regulatory requirements is not however an ideal situation in itself. In fact, mere compliance with regulatory pressures is a minimum requirement of good corporate governance and what are required are internal pressures, peer pressures and market pressures to reach higher than minimum standards prescribed by regulatory agencies.

Conclusion

In the years to come, the Indian financial system will grow not only in size but also in complexity as the forces of competition gain further momentum and financial markets acquire greater depth. The real success of our financial sector reforms will however depend primarily on the organizational effectiveness of the banks, including cooperative banks, for which initiatives will have to come from the banks themselves. It is for the co-operative banks themselves to build on the synergy inherent in the cooperative structure and stand up for their unique qualities. With elements of good corporate governance, sound investment policy, appropriate internal control systems, better credit risk management, focus on newly-emerging business areas like micro finance, commitment to better customer service, adequate automation and proactive policies on house-keeping issues, co-operative banks will definitely be able to grapple with these challenges and convert them into opportunities.

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A Conceptual Study On Bank Marketing In Modern Age

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Introduction

With the attainment of independence, the counters of development underwent radical changes.the constitution of India assigned an overriding priority to social welfare & regional imbalance. The policy makers realized that the establishment of small affluent island around the vast sea of backwardness was not the real purpose of promoting the financial institutions.

The beginning of the planned concept of development way back in 1951 opened new vistas for the development of banking sector. The policy makers felt that the banking sector is not contributing substantially to the development & welfare of Indian society due mainly to the fact that they are working under the private sector with the sole motto of making profit. This engineered a strong foundation for the nationalization of commercial banks. The process of nationalization took a final shape & in 1969 we find nationalization of 14 commercial banks. The main purpose of nationalization was to make possible a basic change in the working style & functional properties of the commercial banks; so that they contribute sizably to the development of the poorest sections & the backward regions.

The beginning of the decade 1980s brought a significant changes in the concept of bank marketing. there is no doubt in it that the concept emerged even in the late 1950s but the process could be activated only after the use of sophisticated information technologies in the banking sector. The advent of electronic fund transfer system in late 1970s made the way for the induction of ATMS, DIRECT DEPOSIT OF PAYROLL,PAY BY PHONES,POINT OF SALE, CREDIT & DEBIT CARDS,AUTOMATED CLEARING HOUSE ,CREDIT DEPOSIT MACHINES,AUTO BANKING OR SO. thus the process of development started gaining the momentum.

Literature review

The new concept of bank marketing assigned due weightage to customer satisfaction .it is said that marketing of banking services is concerned with product, promotion ,pricing & place .in addition,a number of expert also advocate in favour of people ,process & physical appearance.The different mixes of marketing are found influenced by the changing business conditions.

On behalf of Indian bank association ,the national institution of bank management conducted a large scale customer survey in 1984. the basic objective of this survey ,which is biggest & most unique survey that has taken place in the banking industry,was to study the saving behaviour of household .so that banks are able to develop appropriate marketing strategies for deposit mobilization.

A sample size of 1 lakh savers was selected of which 90,000 constituted household (including 54,000 bank savers & 36,000 non bank savers) and 10,000 were institutions.

Highlight of the study are as under :

1. while studying the profile of bank & non bank savers it was found that 80 to 85 % of bank savers were either professional or service workers. & only 5 to 9 % were production workers. Similarly 86 to 94 % of bank savers were literate & 30 to 42 % of non banker savers were illiterate , meaning thereby that banking was still a habit of literate class .there was therefore a sizable population of production workers & literate household groups which could be tapped by banks.
2. The study revealed that the level of awareness about deposit & other schemes of bank amongst bank & non bank savers was relatively low amongst the rural savers. This call or conscious advertising & marketing efforts on the parts of banks to be able to make in roads in to the untapped markets.
3. The important reasons which prompted the bank savers to save in one avenue or other seem to be “provisions for emergencies”, provision for old age , & “provision for marriage”.the study says that if banke zrs have a definite knowledge about the motive for savings ,they can formulate suitable schemes to satisfy the individual saving motives.
4. While studying the reasons for customers preference for a particular bank ,the data indicate that “suitable location”of bank branches & quality of service offered are the 2 main reasons for choosing a particular bank.

Analysis

During the last 2 decades, the role & responsibility of public sector banks have grown & become more challenging . they have to compete with foreign banks particularly in the urban & metropolitan area & provide a package of financial services. They have to actively participate in the process of rural development.

To cope with the changing situation, Bank need a new orientation in their thinking, new skills & new methods. There is a need to develop the right attitude amongst bankers at all levels to render exellent customer service. No doubt banks have adopted different marketing strategies over the years & bank managers have faced all the past challenges with determination. But in a dynamic environment they have to perfect their marketing outlook. & readjust their strategies to meet the changing needs.

Marketing implies identifying customer wants & needs. In view of bank marketing is concerned. It involves identifying the most profitable market , assessing the existing & future needs to customers, setting business development goals. Making plan to meet them, managing the various services & promoting them to achieve the plans & all this in the context of ever changing environment. Marketing of financial services by public sector bank has to be viewed in the context of social objectives which are more important than the profit motive. Marketing of banking services also requires accurate, reliable & up to date marketing information and research.

Conclusion

Nobody should be under an illusion that there will not be any difficulty or obstacle in the introduction of research & development activity in the bank. However these hurdles can be overcome over a period of time, provided there is a basic acceptance of the concept & the top management is committed to it. It is really not such a revolutionary idea as it may superficially appear to be. for many banks are already undertaking partially or fully ,the envisaged activities of the suggested R& D cell. What is intended to be recommended is to organize these efforts through a codified process.it is very necessary therefore ,that some members of the top management of the bank, preferably a general manager having multy-disciplinary responsibility, control & monitor the activities of the R& D cell, trigger thought process provide encouragement & endeavours to sell the efforts of the cell to the other members of the top management. To improve the performance of a bank ,there is no substitute to providing better customer service in all its facet. & this would be possible only through true marketing efforts comprising a survey of customers & competitors, analyzing the emerging data & scanning the environment for future scenerios.

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Challenges And Opportunities Of E-health In Rural Areas : A Case Study Of Shirpur Tehsil

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Introduction

The Role of Information Communication Technologies (ICT) can no longer be ignored within the healthcare industry. In fact, for the healthcare industry to maintain and improve both clinical and business operations, it has to depend on Information Technology (IT).

The World Health Organisation defines e-Health as the use of information and communication technologies (ICTs) for health , for example, treat patients, pursue research, educate students, track diseases and monitor public health.

Electronic health (e-health) describes the application of ICT across a whole range of functions that affect the healthcare industry when it comes to matters relating to health through the various solutions that exists. E-health can also be described as any electronic exchange of health related data through an electronic connectivity for improving efficiency and effectiveness of health care delivery. The solutions that are provided through e-health initiatives within hospitals include Hospital Information Systems (HIS), telemedicine services, Electronic health records and Internet Services. Five health care centers from Shirpur regions are selected. The study undertaken by researcher is specific to Shirpur region. Shirpur is a city and taluka in Dhulia district of Nasik Division, Maharashtra which is located on National Highway 3. The area is also known as Khandesh Region of North Maharashtra.

Hospital Information Systems

Information systems are usually designed to meet specific purposes. The functions of a health information system are to monitor, inform and evaluate a health system and to make clinical and management decisions. There are different types of health information system. An example is HIS. HIS allows physicians or hospital administrators to make informed decisions since it allows daily workflow of medical services in all the departments within the hospital to be evaluated and monitored. Patient records are also updated and therefore made immediately available.

Centralized Records

Every Person should be given Smart Cards for their Personal Identification which will contain their Past Medical Records, Reports and their Allergies. Even Thumb impression of every individual should be stored so that if they forget to bring their card their records can be accessed by their thumps.

Even Government has not to do more as they have the policy of making Aadhar card of every individual which carries thump impression as well as unique identification no. So it can be easily implemented.

E-health solutions will help to keep centralized records of the patients. It will help the doctors to view past reports of the patient easily. In case of emergency if patient does not carry his reports and files it will help doctors to track the report of the patients.

Also it will help the Government to track the patients suffering from particular disease to have future planning's. It will help government to develop various Policies.

Telemedicine

The growth of the internet and deployment of personal computers has really facilitated the growth in telemedicine use. Telemedicine can be used to offer medical consultation and diagnosis through e-health.

Categories of telemedicine that exist are real time and pre-recorded telemedicine. Real-time telemedicine allows participants to send and receive information almost instantly with insignificant delay while pre-recorded telemedicine (store and forward) is whereby information is encapsulated and then conveyed to the receiver for subsequent reply.

Telemedicine can provide learning opportunities to the doctors and nurses in the rural areas and also provide a platform for second opinions among professionals.

Additionally, it can save patients and physician's time and money as they will not have to travel far distances to provide or receive hospital services. Moreover, it can allow underprivileged rural hospitals to share equipment and human resources within well-equipped hospitals.

Electronic Health Records (EHR)

In most cases, people change their locations and do not move with the paper based medical records.

This wastes time and increase costs since more tests have to be repeated. Moreover, in case of emergencies patients do not usually have medical records at hand. A system that can serve patients without regarding the changes in patient's location and additionally, act as a backup during emergencies is beneficial. Moreover by using such systems physicians are allowed to focus more on their patients instead of worrying about medical records. Therefore physicians should take advantage of the upcoming technologies and make use of them. This is because IT can dramatically revolutionize the delivery of healthcare making it safer, efficient and effective.

EHR enables patient information to be stored safely and retrieved when necessary thereby improving efficiency, reducing medical errors and improving access to patient's information.

EHRs provide access to unprecedented amounts of clinical data for research that can accelerate the level of knowledge of effective medical practices.-

Objectives

(1) To identify the challenges of e-health in study area. (2) To recognize the different opportunities of e-health in shirpur tehsil. (3) To know the applications of E-Health services for rural development in selected geographical region.

Hypothesis

(1) E-health implementation overcomes the challenges and increases the new opportunities in research area.

Research Method

Research Design: The Quantitative Study is applied for the rural hospitals. The Researcher has highlighted the following components:

Population : For this present study, we have selected Shirpur tehsil as geographical region. In Shirpur there are number of hospitals but for this study researcher select a five hospitals from these, doctors, staff and prospective patients have been considered. In the present study 13 doctors, 21 staff members and 21 patients. The samples were selected by using purposive sampling technique, which will represent the whole universe of population.

Methods of Data Collection

For the present study primary and secondary data has been collected by using the interviews, observations and questionnaires methods.

The structured questionnaire has been designed to collect the appropriate information about the patient, doctors and hospitals. Also the secondary source of data is used to gather the first hand information from books, journals, articles, conference proceedings etc.

The questionnaires focused on the background or history of ICT within the rural hospitals, the access level of ICT and the current condition of the ICT infrastructure for supporting the health solution e-health solutions in the various hospitals.

Benefits of Using ICT Technologies

Since the ICT technologies implemented within the rural areas are few and there are no e-health solutions, the participants thought that they would gain benefits below if a proper ICT infrastructure was to be put in place and E-Health solutions implemented.

Better patient care : the ability to offer an integrated patient medical record containing patient data from all patient encounters across all operators. These records will be available anywhere and anytime allowing healthcare providers to have a comprehensive view of the patient's history and provide the most suitable treatments accordingly.

Data Analysis

The collected data is analysed and presented in the tabular and graphical form in order to write the interpretation and drawing the conclusions. The data has been analysed by using an appropriate statistical tools.

Table No 1.

Table showing the satisfaction level of medical facilities in the rural area.

Options	Responses	Percentage
Fully satisfied	8	38
Satisfied	5	23.81
Neither satisfied nor dissatisfied	3	14.29
Least satisfied	2	9.52
Dissatisfied	3	14.29
Total	21	100

Table 2

Table showing Implementation of E-Health services will make benefit to people in village

Options	Responses	Percentage
Yes	18	85.71
No	3	14.29
Total	21	100

Table 3

Table showing medical facilities available in rural areas as compared to urban areas in India

Options	Responses	Percentage
Satisfactory	5	38.46
Not Satisfactory	8	61.54
Total	13	100

Table 4

Showing Problems in implementation of e-health in rural areas

Options	Responses	Percentage
Lack of Computer Equipments	1	7.69
Lack of Computer Skills	0	0
Lack of Information	1	7.69
Lack of Technical Support	2	15.39
Insufficient Power Supply	4	30.77
Insufficient Funds	1	7.69
Insufficient Qualified Doctors and Staff	4	30.77
Total	13	100

Table 5

Table showing benefit of E-health will be for Rural Areas

Options	Responses	Percentage
Yes	11	52.38
No	10	47.62
Total	21	100

Cheaper cost : Rural hospitals have a problem with funding. Purchase of on-shelf software may therefore be an answer to their problem. Therefore the authorities should make the use of open source software and assist the implementation of hospital information systems and electronic health records in district hospitals, health centres and dispensaries, since rural hospitals may find other type of software highly costly. The open source software should be for various applications including operating systems.

This would save a lot of money and yet still promote services in rural hospitals.

Cross-sector Linkages : The Government ministries need to work hand in hand when necessary to help deal with some of the rural sector problems. This will in turn upgrade the services provided within rural hospitals. The Ministry of Health needs to work together with the Ministry of Information Telecommunications Technology, the Ministry of Roads and the Ministry of Energy to improve services in rural areas which in turn will improve services at rural hospitals.

ICT expertise: Rural hospitals need to contract ICT professionals to maintain their systems or support them in maintaining networks, and also in systems programming and training of staff members.

Electronic health (E-Health) will be especially beneficial to rural areas. In rural areas where distances between clinics are great and specialists are often few and far between,

E-Health can:

- Instantly provide accurate, up-to-date, and complete information about patients so rural health care organizations can make timely decisions and save lives
- Enable rural health care providers to interface with technologies like telehealth to access remote clinicians, pharmacists and staff members, improving and extending access for patients
- Facilitate efficient transfer to other facilities for vital services not offered locally
- Help rural health care organizations offer efficient local care after intense care in a tertiary hospital, reducing costs for rural communities
- Improve specialty referrals in communities where specialists are often limited

Challenges

Training: The majority of staff do not know how to use computers. Some basic form of training is needed if e-health implementation is to take place, otherwise they may reject any projects implemented. There is need to educate them in order to benefit from the vast information on the internet including the e-learning opportunities that are available. Most of the management seem unaware of how to go about e-health implementation. There is need for them to be educated on the topic and be equipped with information so that they can visualize the benefits of e-health solutions as this can make them push for the implementation of e-health solutions in their respective hospitals.

Infrastructure : The transport system to rural hospitals is a problem for rural inhabitants. There needs to be a way of accessing hospitals especially where roads are not tarred and it rains. Therefore the transport system to the rural areas should be improved. This would make hospitals accessible and create business centres allowing service providers of ICT technologies to render services in such places. In addition, places where there is no electricity may suffer as rural hospitals do not have enough money to buy power generators and hence are unable to put ICT infrastructure in place. The governments need to speed up rural electrification even as other alternatives are sought. Broadband connectivity is expensive and still out of reach.

ICT infrastructure: More computers need to be purchased for rural hospitals together with computer accessories including printers and fax machines. Networks also need to be in place including internet connections in order for management to get information easily. A lack of cooperation between various groups resulting from lack of a clear understanding that e-Health includes **all ICTs for health** such as mobile technologies, telemedicine and electronic patient records. This lack of cooperation prevents urgently needed progress in using e-Health.

Government policies: Government policies should be changed to support the use of IT within hospitals. When these barriers are addressed as recommended, the conditions of rural hospitals will be improved thereby improving the quality of services through e-health implementations.

Conclusions

- E-health helps patient as well as Doctor when patients do not have old reports and when required by doctor, it can be tracked.
- E-health will be beneficiary for government to decide future policies.
- Video-Conferencing will also help doctors in rural areas to communicate with expert doctors panels. Also E-health is very beneficiary in rural areas as literacy rate in these areas is less and patients are not aware about vaccinations which are important for them.
- Using E-health all information of patients will be made centralised and if he moves to any another doctor then that doctor can easily trace the information and report of patients also patients of poor onditions to which government provides various facilities can be easily determine by doctor and they can quickly treat them.
- Data stored can be used by student of medical college for their educational purpose.
- “Reduce stationery costs, reduce medical errors and avail information easily hence save on transport costs if information is to be gotten from town for example from the pharmacies”

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Role of Business Communication In E-Commerce And E-Business

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Introduction

Communication plays a vital role in the business organization, is essence without communication one can't think of the existence of organization in real world. Virtually all action taken in an organization has been preceded by communication.

Business Communication is a communication between two or more person. The rules, regulations and policies of a company have to be communicated to people within and outside the organization. In early times, business communication was limited to paper-work, telephone calls etc. But now with advent of technology, we have cell phones, video conferencing, emails, satellite communication to support business communication. Effective business communication helps in building goodwill of an organization.

Communication needs to be effective in business. Communication is essence of management. The basic functions of management (Planning, Organizing, Staffing, Directing and Controlling) cannot be performed well without effective communication. Business communication involves constant flow of information. Feedback is integral part of business communication. Organizations these days are verly large. It involves number of people. There are various levels of hierarchy in an organization. Greater the number of levels, the more difficult is the job of managing the organization. .

Business Communication can be of two types.

Oral Communication - An oral communication can be formal or informal. Generally business communication is a formal means of communication, like : meetings, interviews, group discussion, speeches etc. An example of Informal business communication would be - Grapevine.

Written Communication - Written means of business communication includes - agenda, reports, manuals etc.

Role of Business Communication.

Communication develops civilized society: Communication is what has enabled us to develop the civilized society. It is one activity that we human beings clearly do better than the other forms of life on earth, and it largely explain our dominant role. It contributes to the development of each and every employee

Communication helps functioning of the organization: Staffing, planning, controlling, reporting, producing, selling, servicing and the like functions are done through communication. The organization cannot function if the persons involved fail to communicate.

Communication enables to carry out the management function: It is the vehicle through which the basic management functions are carried out. Managers direct and coordinate through communication

Communication enables to reach the goal: Every organization has a goal and through proper communication makes easy to achieve this goal

5. True that these are the two biggest means of communication, but an effective one will spill over to wider areas than that. If you falter here it will have a direct impact on your speech. You won't be able to deliver a coherent and cogent talk unless you know what you are talking about! So, effective communication, especially in the field of business, is a complete package comprising all these elements.

Importance of Communication:

(1) Communication **promotes motivation** by informing and clarifying the employees about the task to be done, the manner they are performing the task, and how to improve their performance if it is not up to the mark. (2) Communication is a **source of information** to the organizational members for decision-making process as it helps identifying and assessing alternative course of actions. (3) As discussed earlier, communication also assists in **controlling process**. It helps controlling organizational member's behaviour in various ways. There are various levels of hierarchy and certain principles and guidelines that employees must follow in an organization. They must comply with organizational policies, perform their job role efficiently and communicate any work problem and grievance to their superiors. Thus, communication helps in controlling function of management.

What is e-commerce?

Electronic commerce or e-commerce refers to a wide range of online business activities for products and services.It also pertains to "any form of business transaction in which the parties interact electronically rather than by physical exchanges or direct physical contact."

Though popular, this definition is not comprehensive enough to capture recent developments in this new and revolutionary business phenomenon. A more complete definition is: E-commerce is the use of electronic communications and digital information processing technology in business transactions to create, transform, and redefine relationships for value creation between or among organizations, and between organizations and individuals.

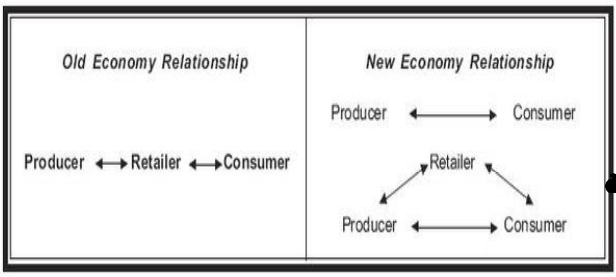
History

In 1990, Tim Berners-Lee invented the WorldWideWeb web browser and transformed an academic telecommunication network into a worldwide everyman everyday communication system called internet/www. Commercial enterprise on the Internet was strictly prohibited by NSF until 1995.[1] Although the Internet became popular worldwide around 1994 with the adoption of Mosaic web browser, it took about five years to introduce security protocols (i.e. SSL encryption enabled on Netscape 1.0 Browser in late 1994) and DSL allowing continual connection to the Internet. By the end of 2000, many European and American business companies offered their services through the World Wide Web. Since then people began to associate a word "ecommerce" with the ability of purchasing various goods through the Internet using secure protocols and electronic payment services.

Electronic business:

Electronic business, commonly referred to as "eBusiness" or "e-business", or an internet business, may be defined as the application of information and communication technologies (ICT) in support of all the activities of business. Commerce constitutes the exchange of products and services between businesses, groups and individuals and can be seen as one of the essential activities of any business.

Electronic business methods enable companies to link their internal and external data processing systems more efficiently and flexibly, to work more closely with suppliers and partners, and to better satisfy the needs and expectations of their customers.



by provider and consumer

Roughly dividing the world into providers/ producers and consumers/clients one can classify e-businesses into the following categories:

Ttype of e-commerce comes in at least three forms:

There is little information on the relative size of global C2C e-commerce. However, C2C figures of popular C2C sites such as eBay and Napster indicate that this market is quite large. These sites produce millions of dollars in sales every day.

In addition to keeping the servers and computers safe, physical security of confidential information is important. This includes client information such as credit card numbers, checks, phone numbers, etc. It also includes any of the organization's private information. Locking physical and electronic copies of this data in a drawer or cabinet is one additional measure of security. Doors and windows leading into this area should also be securely locked. Only employees that need to use this information as part of their job should be given keysState of the art security systems, such as the one used at Tidepoint's headquarters, might include access control, alarm systems, and closed-circuit television. One form of access control is face (or another feature) recognition systems. This allows only authorized personnel to enter, and also serves the purpose of convenience for employees who don't have to carry keys or cards.

Data transmission and application development

All sensitive information being transmitted should be encrypted. Businesses can opt to refuse clients who can't accept this level of encryption. Confidential and sensitive information should also never be sent through e-mail. If it must be, then it should also be encrypted.Transferring and displaying secure information should be kept to a minimum. This can be done by never displaying a full credit card number for example. Only a few of the numbers may be shown, and changes to this information can be done without displaying the full number. It should also be impossible to retrieve this information online.[Source code should also be kept in a secure location. It should not be visible to the public.lications and changes should be tested before they are placed online for reliability and compatibility.

Term administration

Security on default operating systems should be increased immediately. Patches and software updates should be applied in a timely manner. All system configuration changes should be kept in a log and promptly updated. System administrators should keep watch for suspicious activity within the business by inspecting log files and researching repeated logon failures. They can also audit their e-business system and look for any holes in the security measures. Important to make sure plans for security are in place but also to test the security measures to make sure they actually work. With the use of social engineering, the wrong people can get a hold of confidential information. To protect against this, staff can be made aware of social engineering and trained to properly deal with sensitive information.

Security Solutions

When it comes to security solutions, there are some main goals that are to be met. These goals are data integrity, strong authentication, and privacy.

Access and data integrity

There are several different ways to prevent access to the data that is kept online. One way is to use anti-virus software. This is something that most people use to protect their networks regardless of the data they have. E-businesses should use this because they can then be sure that the information sent and received to their system is clean. A second way to protect the data is to use firewalls and network protection. A firewall is used to restrict access to private networks, as well as public networks that a company may use. The firewall also has the ability to log attempts into the network and provide warnings as it is happening. They are very beneficial to keep third-parties out of the network. Businesses that use Wi-Fi need to consider different forms of protection because these networks are easier for someone to access. They should look into protected access, virtual private networks, or internet protocol security. Another option they have is an intrusion detection system. This system alerts when there are possible intrusions. Some companies set up traps or "hot spots" to attract people and are then able to know when someone is trying to hack into that area.

Encryption

Encryption, which is actually a part of cryptography, involves transforming texts or messages into a code which is unreadable. These messages have to be decrypted in order to be understandable or usable for someone. There is a key that identifies the data to a certain person or company. With public key encryption, there are actually two keys used. One is public and one is private. The public one is used for encryption, and the private for decryption. The level of the actual encryption can be adjusted and should be based on the information. The key can be just a simple slide of letters or a completely random mix-up of letters. This is relatively easy to implement because there is software that a company can purchase. A company needs to be sure that their keys are registered with a certificate authority.

Digital certificates

The point of a digital certificate is to identify the owner of a document. This way the receiver knows that it is an authentic document. Companies can use these certificates in several different ways. They can be used as a replacement for user names and passwords. Each employee can be given these to access the documents that they need from wherever they are. These certificates also use encryption. They are a little more complicated than normal encryption however. They actually used important information within the code. They do this in order to assure authenticity of the documents as well as confidentiality and data integrity which always accompany encryption. Digital certificates are not commonly used because they are confusing for people to implement. There can be complications when using different browsers, which means they need to use multiple certificates. The process is being adjusted so that it is easier to use.

Digital signatures

A final way to secure information online would be to use a digital signature. If a document has a digital signature on it, no one else is able to edit the information without being detected. That way if it is edited, it may be adjusted for reliability after the fact. In order to use a digital signature, one must use a combination of cryptography and a message digest. A message digest is used to give the document a unique value. That value is then encrypted with the sender's private key.

How is e-commerce helpful to the consumer?

In C2B transactions, customers/consumers are given more influence over what and how products are made and how services are delivered, thereby broadening consumer choices. E-commerce allows for a faster and more open process, with customers having greater control.E-commerce makes information on products and the market as a whole readily available and accessible, and increases price transparency, which enable customers to make more appropriate purchasing decisions.

Conclusion

E-commerce facilitates organization networks, wherein small firms depend on "partner" firms for supplies and product distribution to address customer demands more effectively.To manage the chain of networks linking customers, workers, suppliers, distributors, and even competitors, supply chain management solution is needed. Supply chain management (SCM) is defined as the supervision of materials, information, and finances as they move from supplier to manufacturer to wholesaler to retailer to consumer. It involves the coordination and integration of these flows both within and among companies. The goal of any effective supply chain management system is timely provision of goods or services to the next link in the chain (and ultimately, the reduction of inventory within each link.

Some SCM applic Type a quote from the document or the summary of an interesting point. You can position the text box anywhere in the document. Use the Text Box Tools tab to change the formatting of the pull quote text box.ations are based on open data models that support the sharing of data both inside and outside the enterprise, called the extended enterprise, and includes key suppliers, manufacturers, and end customers of a specific company. Shared data resides in diverse database systems, or data warehouses, at several different sites and companies. Sharing this data "upstream" and "downstream" allows SCM applications to improve the time-to-market of products and reduce costs. It also allows all parties in the supply chain to better manage current resources and plan for future needs.

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An Empirical Study On Electronic Commerce : Evolution And Future

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Introduction

Internet is one component which has recently become the key ingredient of quick and rapid lifestyle. Be it for communication or explorations, connecting with people or for official purposes, 'internet' has become the central-hub for all. Electronic commerce encompasses all business conducted by means of computer networks. Advances in telecommunications and computer technologies in recent years have made computer networks an integral part of the economic infrastructure.

E-commerce, in the popular sense, can be defined as the use of the Internet and the Web to conduct business transactions. A more technical definition would be e-commerce involves digitally enabled commercial transactions between and among organizations and individuals.

E-commerce provides multiple benefits to the consumers in form of availability of goods at lower cost, wider choice and saves time. People can buy goods with a click of mouse button without moving out of their house or office. The Internet and the Web are similar to other technologies that have changed commerce in the past in that each new technological innovation spawns explosive growth characterized by thousands of startup companies.

"… . Speaking broadly, electronic commerce includes the use of computing and communication technologies in financial business, online airline reservation, order processing, inventory management...

Historically speaking, the best known idea in electronic commerce has been Electronic Data Interchange (EDI)…

Different Definitions of E-Commerce

Zwass defines e-commerce as "… the sharing of business information, maintaining business

relationships, and the conducting business transactions by means of telecommunications networks"

E-commerce i.e. Electronic Commerce means - Automates the conduct of business among enterprises, their customers, suppliers and employees - anytime, anywhere.

Treese and Stewart gave their view of Internet-commerce as follows:

"… the use of the global Internet for purchase and sale of goods and services, including service and support after the sale. The Internet may be an efficient mechanism for advertising and distributing product information, but our focus is on enabling complete business transactions."

"… This revolution is known as electronic commerce, which is any purchasing or selling through an electronic communications medium.

Internet-based commerce, in general, and Web-based commerce, in particular, are important sub-disciplines of electronic commerce."

"Electronic commerce is the symbiotic integration of communications, data management, and security capabilities to allow business applications within different organizations to automatically exchange information related to the sale of goods and services."

Evolution of E-Commerce

The three stages in the evolution of e-commerce are innovation, consolidation, and reinvention. Innovation took place from 1995–2000 and was characterized by excitement and idealistic visions of markets in which quality information was equally available to both buyers and merchants. However, e-commerce did not fulfill these visions during its early years. After 2000, e-commerce entered its second stage of development: consolidation. In this stage, more traditional firms began to use the Web to enhance their existing businesses. Less emphasis was placed on creating new brands. In 2006, though, e-commerce entered its current stage, reinvention, as social networking and Web 2.0 applications reinvigorated e-commerce and encouraged the development of new business models.

Four classes of e-commerce applications:

1. **Business-to-Customer** (B to-C or B2C) Sale of products or services from a business to the general public 1.Customers buy products and services online INTERNET 2: Network contains Web hosting, security, and backup 3: Warehouse receives and fulfills order
2. **Business-to-Business** (B-to-B or B2B) • Sale and exchange of products and service between businesses • Many businesses engage in both B2B and B2C • Supply chain creates and distributes products
3. **Customer -to-Customer** (C to-C or C2C) Individuals using Internet to sell products to other individuals – Online auction, such as eBay

3. **Peer-to-Peer (P to-P or P2P)** Users connect to each other's hard disks and exchange files directly • Consumer can pay another consumer to copy file

Four different types of information technology are converging to create the discipline of e-commerce:

1. electronic messages, email and fax
2. sharing a corporate digital library
3. electronic document interchange utilizing EDI and electronic funds transfer
4. electronic publishing to promote marketing, advertising, sales, and customer Support

The unique features of e-commerce technology

- **Ubiquity**: It is available just about everywhere and at all times.
- **Global Reach:** the potential market size is roughly equal to the size of the online population of the world.
- **Universal standards:** The technical standards of the Internet, and therefore of conducting e-commerce, are shared by all of the nations in the world.
- **Richness:** Information that is complex and content rich can be delivered without sacrificing reach.
- **Interactivity:** E-commerce technologies allow two-way communication between the merchant and the consumer.
- **Information density:** The total amount and quality of information available to all market participants is vastly increased and is cheaper to deliver.
- **Personalization/Customization:** E-commerce technologies enable merchants to target their marketing messages to a person's name, interests, and past purchases. They allow a merchant to change the product or service to suit the purchasing behavior and preferences of a consumer.
- **Social technology:** User content generation and social networking technologies

What is a marketspace?

A marketspace is a marketplace that is extended beyond traditional boundaries because it is removed from the restrictions of geography and time. The ubiquity of e-commerce technologies liberates the market from these limitations.

Traditional transactions can provide more richness in terms of face-to-face service including visual and aural cues. However, traditional transactions are limited in terms of how many people can be reached at a single time. Online transactions, which can be global in reach, can provide content that is both complex and rich, overcoming the traditional trade-off between reach and richness.

Differences between Electronic Commerce and traditional commerce

Electronic Commerce	Traditional commerce
face-to-face, telephone lines , or mail systems manual processing of traditional business transactions individual involved in all stages of business transactions	using Internet or other network communication technology automated processing of business transactions individual involved in all stages of transactions pulls together all activities of business transactions, marketing and advertising as well as service and customer support

Why Internet Commerce?

In the short term:	In the long term:
The top line: Access to a Global Market,- the ability to reach new customers and create more intimate relationships with all customers. - The bottom line: Dramatic Reduction in distribution costs - drastic cost reductions for distribution and customer service.	- The Internet may well change the structure of the competitive landscape. - Internet communications will transform - the relationship between business and their customers. - the conversion from physical to digital will displace the source of business value.

Capabilities Required for Internet/Web Commerce?

Enable buyers to:	- Enable sellers to:
- inquire about products - review product and service information - place orders, authorize payment - receive both goods and services on-line	- advertise products - receive orders - collect payments - deliver goods electronically - provide ongoing customer support

Benefits of e.Commerce

Business benefits:	Marketing benefits:
- Reduced costs to buyers from increased competition on-line - Reduced costs to suppliers by on-line auction - Reduced errors, time, and overhead costs information processing - Reduced inventories, and warehouse - Increased access to real-time inventory information, speed-up ordering & purchasing processing time - Easier enter into new markets in an efficient way - Easily create new markets and get new customers - Automated business processing - Cost-effective document transfer - Reduced time to complete business transactions, speed-up the delivery time - Reduced business overhead and enhance business management	- Improved market analysis, product analysis and customer analysis. - Low-cost advertising - Easy to create and maintain customer o client database Customer benefits: - Wide-scale information dissemination - Wide selection of good products and goods at the low price - Rapid inter-personal communications and information accesses - Wider access to assistance and to advice from experts and peers. - Save shopping time and money - Fast services and delivery

Limitations of e. commerce

One major limitation to the growth of e-commerce is the price of personal computers. Another limitation is the need for many people to learn complicated operating systems, at least in comparison to other technologies such as the television or the telephone. People must also learn a set of sophisticated skills to make effective use of the Internet and e-commerce capabilities. Another limitation is the unlikelihood that the digital shopping experience will ever replace the social and cultural experience that many seek from the traditional shopping environment. Finally, persistent global income inequality will exclude most of the world's population, who do not and probably will not in the foreseeable future, have access to telephones or PCs. Social and cultural limitations are likely to be tougher to overcome than technological limitations.

Success and a failure of e-commerce

The early years of e-commerce can be considered a success because of the technological success that occurred as Web-enabled transactions grew from thousands to billions. The digital infrastructure proved to be a solid foundation on which to build a viable marketing channel. From a business perspective, the early years of e-commerce were a mixed success with just a tiny percentage of dot-com companies surviving. However, the survivors have benefited from the continued growth in B2C revenues. The early years of e-commerce can also be considered a success in that the transfer of information has been a huge accomplishment as consumers learned to use the Web to procure information about products they wanted to purchase

The future of e-commerce

The factors that will help define the future of e-commerce

- The technology of e-commerce—the Internet, the Web, and the number of wireless appliances—will continue to proliferate through all commercial activity; overall revenues will continue to rise rapidly; and the numbers of both visitors and products and services sold will continue to grow.
- Prices will rise to cover the real costs of doing business on the Web and to pay investors a reasonable rate of return on their capital.
- E-commerce margins and profits will rise to the level of traditional retailers.
- The top e-commerce sites will increasingly obtain very well known brands from strong, older firms.
- The number of successful purely online companies will further decline. The most successful e-commerce firms will use both traditional marketing channels such as physical stores, printed catalogs, and e-commerce Web sites.

Conclusion

Today E-commerce is a byword in Indian society and it has become an integral part of our daily life. There are websites providing any number of goods and services. Then there are those, which provide a specific product along with its allied services. Indian E-commerce portals provide goods and services in a variety of categories. Like Apparel and accessories for men and women, Health and beauty products , Books and magazines, Computers and peripherals, Vehicles, Software, Consumer electronics, Household appliances, Jewelry, Audio/video, entertainment, goods, Gift articles, Real estate and services .

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Empirical Study On E-Commerce : An Indian Perspective

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Abstract

Computer, information and communication Technology are playing enormous important role in all sectors of human life. In the increasing disposable and discretionary income and lack of free time , obligates people to go for e- marketing. Not a least in year 2013 Indian customers had e-commerce turnover of Rs.52461 corers with 68% of growth rate. E-marketing is the process of marketing brands using Internet. The number of Internet users around the world has been steadily growing and this growth has provided the impetus and the opportunities for global and regional e-commerce. Internet , different characteristics of the local Environment , both infrastructural and socio-economic , have created a significant leval of variation in the acceptance and growth of e-commerce in different regions of the world. In the emerging global economy, e-commerce and e-business have increasingly become a necessary component of business strategy and a strong catalyst for economic development. The integration of information and communications technology (ICT) in business has revolutionized relationships within organizations and those between and among organizations and individuals. Specifically, the use of ICT in business has enhanced productivity, encouraged greater customer participation, and enabled mass customization, besides reducing costs.

Introduction

We are in the Age of Knowledge. The phrases "knowledge is power" and "content is king" are often used in reference to business conducted on the Internet. In the rather short history of e-business and e-commerce, events have demonstrated that successful e-businesses are those that recognize the needs of their target audiences and match them with relevant content. However, the ability to construct such an e-business is not limited to seasoned professional many successful online ventures have been started by students on college campuses. E-business and e-commerce have increased the speed and ease with which business can be transacted, resulting in intense competition among online vendors. To remain viable, e-businesses must adjust to evolving technologies, continually integrate new systems and satisfy a wide variety of consumers. If a business fails to do so, its customers do not have far to go to buy from competitors.

Keywords:- Computer, Internet , E-commerce ,Online business

What is E-Commerce ?

1. "E-commerce is the use of electronic communications and digital information processing technology in business transactions to create, transform, and redefine relationships for value creation between or among organizations, and between organizations and individuals."
2. "Electronic commerce or e-commerce refers to a wide range of online business activities for products and services."
3. "E-commerce is usually associated with buying and selling over the Internet, or conducting any transaction involving the transfer of ownership or rights to use goods or services through a computer-mediated network."

Objectives of the Study:-

1. Describe the phases a company goes through using the Internet for business.
2. Describe the forms of electronic commerce.
3. To study the types of e-commerce.

What are the different types of e-commerce?

The major different types of e-commerce are:-

1. Business-to-business (B2B)-It exhibits marketing relationships between business- to-business.
2. Business-to-Consumer (B2C)- It includes sales of goods and services directly to consumer.
3. Business-to-Government (B2G)- Business-to-government e-commerce or B2G is generally defined as commerce between companies and the public sector
4. Consumer-to-Consumer (C2C)- Consumer-to-consumer e-commerce or C2C is simply commerce between private individuals or consumers.
5. Mobile commerce (M-commerce)- M-commerce (mobile commerce) is the buying and selling of goods and services through wireless technology- i.e., hand held devices such as cellular telephones and personal digital assistants (PDAs).

Why e-commerce is different:-

- Ubiquity- available everywhere at all times.
- Global Reach- potential market size for e-commerce is roughly equal to the size of the world's online population.
- Universal cost - technical standards for conducting e-commerce are universal standards.
- Richness (Information)- Web makes it possible to deliver rich messages with text, audio and Video simultaneously to large number of people.
- Interactivity – allows two way communication.
- Information Density - total amount and quality of information
- Personalization/Customization – messages to a person's name, interests and past purchases.

e-Commerce Success Factors:-

A basic fact of Internet retailing (E-tailing) is that all websites are created equal as far as the "location, location, location" imperative of success in retailing is concerned. No site is any closer to its customers and competitors offering similar goods and services are only a mouse click away. This makes it vital that businesses find ways to build customer satisfaction, loyalty, and relationships, to keep customers coming back to their Web stores. The key to e-tailing success is to optimize factors such as:-

- Selection and Value – businesses must offer attractive product selections, competitive prices,satisfaction guarantees, and customer support after the sale.
- Performance and service efficiency– fast, easy navigation, shopping, and purchasing, and prompt shipping and delivery.
- Look and feel of the site– attractive web storefront, website shopping areas, multimedia product catalog pages, and shopping features.
- Advertising and incentives to purchase– targeted web page advertising and e-mail promotions, discounts and special offers, including advertising at affiliate sites.
- Personal attention– personal web pages, personalized product recommendations, Web advertising and e-mail notices, and interactive support for all customers.
- Community relationships– giving online customers with special interests a feeling of belonging to a unique group of like minded individuals helps to build customer loyalty and value. Promote virtual communities of customers, suppliers, company representatives, and others via newsgroups, chat rooms, and links to related sites.
- Security and Reliability – security of customer information and website transactions, trustworthy product information, and reliable order fulfillment.

Benefits of E-commerce

To Organizations

- Expanding market place to national and international
- Shortens or even eliminates marketing distribution channels
- Allows lower inventories by facilitating pull type Supply chain
- Helps small businesses compete against large companies
- Decreases the cost of creating, processing, distributing, storing and retrieving information by digitizing.

To Customers

- Can conduct quick online price comparisons.
- Gives more choices.
- Transact from any location.
- Delivers relevant and detailed information in seconds.
- Enables consumers to get customized products.

To Society

- Less travelling resulting in less road traffic and lower air pollution
- People from rural areas can enjoy products and services that are otherwise not available
- Chances of reduction in fraud increasing the quality of social services

Issues and problems in e-commerce development

Legacy technology:- The World Wide Web was developed as a way of dispensing documentation within the large research laboratory at CERN in Geneva. I am sure that the originator of the technology, Tim Berners-Lee, did not realize at that stage how it would expand and become a major component of our economic infrastructure.

Space problems:- Probably the best known of these is the fact that the Internet is running out of space for identifying computers. The current technology used to transport data around the Internet is such that in the comparatively near future we shall run out of space to hold these unique addresses.

Stateless servers:- Web servers are what are known as stateless servers. What this means is that in their pure form they keep no memory of what has previously happened to them between requests. While this was not serious when Web servers were being mainly used for dispensing documentation (their original use) it is a serious problem in e-commerce.

No dynamic Web pages:- Which arises from their original functionality is the fact that Web pages were designed to be static: they were files which were stored on a computer and delivered in their stored form to anyone using a browser to access them. Many e-commerce and e-business applications require something much more dynamic.

Security and privacy:-The Internet is not a particularly secure place. There are two aspects to this: the first is that information is widely published throughout the Internet which can be used for criminal and near-criminal activities. The second aspect is that since the Internet is an open system, details of its underlying technologies are freely available to anybody.

The speed of development: E-commerce consultants speak of a Web year. This is the time which it takes to bring to implementation a conventional system that would normally take a calendar year to develop. Current estimates are that one calendar year is equivalent to seven Web years.

Structure and data:- A problem that is being increasingly experienced by Internet companies is the fact that they have to interchange a large amount of data and that such data inherently lacks structure.

Design:- Designing a distributed system can also be a problem, for example the fact that computers in a distributed system are joined by communication media which can stretch over thousands of miles provides an added dimension to the design process in that response time can be a problem.

Poor Site Design:- One e-commerce problem companies struggle with is first impressions. Customers need organized and clearly-defined categories for smooth navigation. Avoid categories that are either so specific that barely any products fit into them or so general that the customers cannot find what they are looking for.

No Product Auxiliaries:- Major ecommerce sites typically offer features such as related product listings, reviews, ratings and company blogs. A related product feature entices buyers to consider purchasing items they hadn't initially searched for. People also expect the option to read product reviews.

Poor Shopping Cart Design:- Expedite the check-out process with easy-to-navigate shopping cart platforms like Ultra cart. Your shopping cart design should include the ability to update a cart without leaving a page, edit quantities, and preview shipping charges.

Limited Payment Options:- Now a days if you don't offer a variety of payment options, you won't gain credibility with your clients. Publicize that customers can pay with all major credit cards, their PayPal accounts, or even checks and money orders.

Lack of image alt text:- Not providing image alt text can be seriously fatal but really easy to miss. You gain too much from alt image texts to let them be ignored. If you think about the real content pieces you have at your disposal, the real sizable content pieces, your images are chief among them on an ecommerce site.

Slow page load speeds:- Product pages taking too long to load, too many large on page images. Use sprites for your images to make them load faster. Keep your source code light, keep things clean and fluid. Use Google's Page load Speed tool for specific instructions on what needs to be cleaned up.

Conclusion

E-commerce is not an **efficacious remedy** for your business. Yes, it is important and can help to expand your geographical customer reach. But you can't just set up an online stores, pour your products and services in to it, and wait for good things fall down from the sky. Just like another form of business, **ecommerce has its own advantages and disadvantages**. The most common ecommerce problems are usually **the unrecognized ones**. They seem to be just the little disruption at first, yet they are crucial. Never ignore them, because they may mightily influence your sales amount for the upcoming period.

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E-Commerce : Adoption And Implementation In Micro, Small And Medium Sized Enterprises

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Introducation

With the advent of planned economy from 1951 and the subsequent industrial policy followed by Government of India, both planners and Government earmarked a special role for small-scale industries (SSI) and medium scale industries in the Indian economy. Due protection was accorded to both sectors, and particularly for small-scale industries from1951 to 1991, till the nation adopted a policy of liberalization and Globalization. The small scale industrial sector of the Indian economy encompasses in itself almost all of the products (including a large number of services) produced by the Indian industries within the economy. Most of the times the products produced by the small and medium enterprises comprise of the intermediary products produced by the large-scale industries. They also include semi processing units and processing units, which are an important link between exports and re-exports. Thus, SMEs act both as a backward and forward linkage to the overall industrial sector of the Indian economy. Interestingly, the segment plays a crucial role in spreading the benefits of economic growth among the masses by drawing surplus workforce from the farm. That is the reason MSMEs have been considered as the backbone of the Indian economy.

SMEs exist in almost all-major sectors in the Indian industry such as Food Processing, Agricultural Inputs, Chemicals & Pharmaceuticals, Electrical & Electronics, Medical & surgical equipment, Textiles and Garments, Gems and Jewellery , Leather and leather goods, Meat products, Bio engineering ,Sports goods, Plastics products, Computer Software etc.

Classification of SMEs

According to the newly enacted Micro, Small and Medium Enterprises Development Act 2006, which will come into effect from October 2, 2006, enterprises are classified into Micro, Small and Medium according to the following criteria:

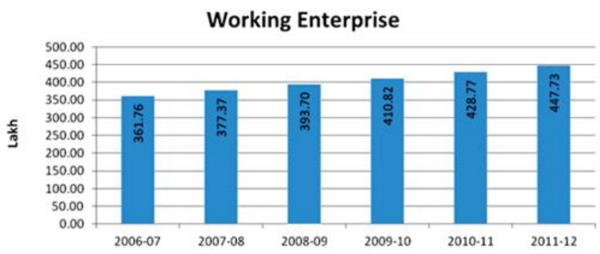
Types Of Enterprise	Engaged in manufacture or production of goods	Engaged in providing or rendering of services
	Investment in plant and machinery	Investment in equipment
Micro enterprise	Does not exceed 25 Lakh rupees	Does not exceed 10 Lakh
Small Enterprise	More than 25 Lakh rupees, but does not exceed 5 Crore rupees	More than 10 Lakh rupees, but does not exceed 2 Crore rupees
Medium Enterprise	More than 5 Crore rupees but does not exceed 10 Crore rupees	More than 2 Crore rupees but does not exceed 5 Crore rupees

The above definitions are to be compared with the old definition of Small Scale Industries (SSI) as an industrial undertaking in which the investment in fixed assets in plant and machinery, whether held on ownership terms or on lease or by hire-purchase that does not exceed rupees one crore. According to the old definition, the numbers of SSI were 3.572 million units in 2002-03 with almost 50 per cent of industrial output attributable to SSIs. 45%-50% of the Indian Exports is contributed by SSI Sector. The size and scale of India's SME sector as per the new SMED Act 2006 is a matter of guesswork, ranging from 7.8 million to 13 million in number; the share in GDP of SMEs may be more than 80% and if the global trend is true for India, more than 90% of all the enterprises are SMEs. Also every enterprise in its infant years is an SME. The Small Scale Services & Business Enterprises (SSSBEs) are industry related service and business enterprises with investment in fixed assets, excluding land and building, upto Rs. 10 lakh, irrespective of the location of the units. There are over 6000 products ranging from traditional to high-tech items, which are being manufactured by the MSME sector in addition to provide wide range of services.

Growth of MSMEs in India

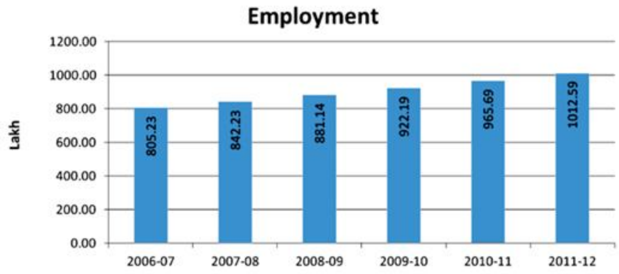
(FOLLOWING CHARTS SHOWING STATISTICS OF THE SECTOR GROWTH)

A) Number of Enterprises in MSME Sector



Nearly 27.3 per cent of rural, and 31.5 per cent of urban enterprises, work under sub-contracting system. The incidence of subcontracting is much higher in West Bengal (54 per cent), followed by Tamil Nadu (52 per cent), Karnataka (39 per cent), UP (35 per cent) and Kerala (27%). At the other extremes are Himachal Pradesh, Haryana and Madhya Pradesh where the enterprises are the least subcontracted (less than 10 percent).

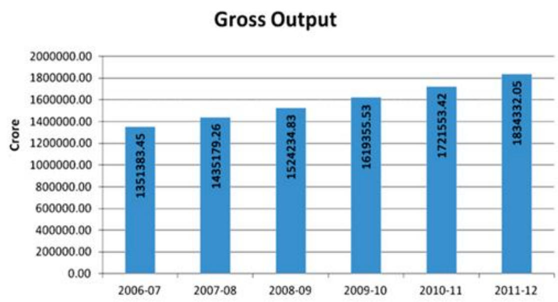
B) Employment in MSME Sector



(Projected data for the years 2007-08 to 2011-12)

New BCG research finds that if more SMEs adopted the latest IT tools in India, they could boost revenues by $56 billion and create more than 1.1 million jobs in the country.

C) Gross Output in MSME Sector



(Projected data for the years 2007-08 to 2011-12)

Key highlights of the MSME Sector:

(a) MSMEs account for about 45% of India's manufacturing output (b) MSMEs accounts for about 40% of India's total exports (c) The sector is projected to employ about 73 million people in more than 31 million units spread across the country (d) MSMEs manufacture more than 6,000 products ranging from traditional to high tech items (e) For FY11, total production coming from MSME sector was projected at ‘ 10,957.6 billion, an increase of more than 11% over the previous year (f) For FY12, the MSME sector is estimated to have an average credit off-take of ‘ 7.16 lacs for 32.2 million units.

Role of E-Commerce in MSMEs Sector

Internet plays a crucial role in the development of SMEs. The advent of Internet-based electronic commerce offers considerable opportunities for firms to expand their customer base, enter new product markets and rationalize their business. Technologies for SMEs should aim at fuelling innovation and business agility.

E-commerce applications are easy to integrate with existing systems and processes, and help in leveraging communication and information management. E-Commerce is also related to the firm's strategies. E-Commerce has offered a variety of potential benefits both to SMEs and large business. Today, most SMEs in rural area are using old methods and outdated technology of manufacturing. In the adoption of electronic communications in the area of Business-to-Business (B2B), Business-to-Consumer (B2C), Business-to-Government (B2G) and mobile e-commerce changing the business environment globally. Businesses everywhere need to understand if, when and how to use electronic commerce. Indeed, in some industries, businesses are learning now that this is no longer an option to consider, but a requirement for survival. The reach of the underlying information and communication technologies (ICT) making E-Commerce commerce possible is also causing unprecedented globalization of business. In addition, the business press and trade journals have also given coverage to many of the issues faced by SMEs in moving into E-Commerce .However, there are some issues that have received very little attention in research to date. Such as:

- Framework that helps SMEs evaluates the use of E-Commerce as well as guiding the adoption process
- Assessment of E-Commerce application and post adoption experiences in different sectors of SMEs.

Modern SMEs carry out electronic commerce in three different ways. Internet start-ups invent new ways of creating value-addition, new services and new business models, while established small firms use the Internet to develop E-Commerce strategies geared to expanding their business, often internationally, and increasing their effectiveness. In addition, groups of small firms are entering into electronic partnerships with large firms which are their customers or suppliers or with industry-wide associations. This works best when E-Commerce is used proactively as part of a set of strategies to increase SMEs' competitiveness in global markets.

E-Commerce also play a significant role in the retail trade,which is one of the major sector of MSMEs. This is explain & shown with diagrammatically in (BOX)

Strategic Benefits of Adopting E-Commerce in MSME's

Information and communications technologies (ICT) are radically changing the competitiveness of organisations. Electronic commerce (E-Commerce), defined as the use of electronic methods, means and procedures to conduct various forms of business activity in cyberspace (Brian, 1998) has become a priority for many corporations within the context of ICT, since managers see it as a way to overcome certain limitations of the traditional distribution channels. In this paper we take into consideration all the perspectives of E-Commerce that have been defined in recent literature, i.e. the communication, the business process, the service and the online perspective of E-Commerce. E-Commerce has reduced the cost of trading among companies and in the same time has helped them tighten their relationships and collaboration. Through E-Commerce, companies are now able to connect with their trading partners for "just in time production" and "just in time delivery" (Ngai and Wat, 2002).

Internet-based applications are not specific to any particular level of the business value chain and can be used across a vast range of sectors and firms. Among early adopters of electronic commerce technologies in the United States, impacts have been observed in product design (shortening the design process, and leading to a higher level of product customization and standardization of parts).

E-Commerce offers unmatched savings in terms of transaction costs, advertising and promotion cost. E- Companies can shorten their traditional supply chains, minimize transport obstacles and reduce delivery costs. Physical limitations of time and space are removed by adopting E-Commerce applications in their business .

Challenges of Adopting E-Commerce Applications

Despite the attractive benefits that SMEs may obtain from adopting E-Commerce into their business, SMEs possess significant problems in identifying the appropriate application of E-Commerce and its strategy due to the lack of knowledge and planning in ICT. Consequently, it is hardly surprising to witness that most of the SMEs' owner/managers will finally develop their ICT strategy through a 'trial and- error' method.

SME's have issues related in particular to network infrastructure access costs, dissemination of information on electronic commerce, training, skill development and human resources. Also, the difficulty in addressing issues of trust and confidence makes SMEs more vulnerable than large firms to problems linked to authentication/ certification, data security and confidentiality and the settling of commercial disputes, especially for firms targeting consumers.

However, there is also adoption of E-Commerce by SMEs more difficult and Hazardous due to cost of in-house E-Commerce applications development can be very high and mistakes caused by the lack of experience and know-how may result in delays.

Some research also suggested strategies to overcome challenges related to adopting E-Commerce, industry should work on following indicators which helps to growing E-Commerce in a proper way are:

• Readiness: includes issues of preparing the technical, commercial and social infrastructure necessary to support electronic commerce.

• Intensity: refers to the current state of E-Commerce, including the size and nature of transactions/ business.

• Impacts: involves issues of whether and to what extent electronic commerce affects efficiency and/or the creation of new wealth.

Conclusion

However, adoption of Information and Communication Technologies (ICT) is only part of the story. Of greater importance is the use made of them. Although SMEs increasingly use the Internet for a variety of commercial and production-related purposes. On an average they have a limited understanding of the full range of benefits of electronic commerce. The limited awareness of the great potential of e–commerce is one important barrier to its adoption, together with inadequate investment in skills, and the relatively high initial investment costs involved in developing electronic commerce strategies. Although government has realised that the advent of ICT, and in particular the potential of the Internet for innovating, reorganising production, carrying out transactions and linking geographically dispersed operations, implies major changes in the ways in which firms do business. Consequently, governments have introduced policies to improve the climate for electronic commerce and facilitate its growth and use. Electronic commerce technologies (i.e. ICTs supporting electronic commerce applications) have the potential to lead in significant productivity gains at firm level. Especially when applied to business-to business relations, electronic technologies can lead to rationalization of business processes and cost savings. E-Commerce is helping to enlarge geographical and sectoral markets by cutting through many of the distribution and marketing barriers that prevent smaller firms from entering foreign markets. SMEs works best when E-Commerce is used proactively as part of a set of strategies to increase industrial competitiveness in global markets.

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Equity Derivatives In Cash Market Segment In India

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Introduction

The emergence of the market for derivative products, most notably forwards, futures and options, can be traced back to the willingness of risk-averse economic agents to guard themselves against uncertainties arising out of fluctuations in asset prices. By their very nature, the financial markets are marked by a very high degree of volatility. Through the use of derivative products, it is possible to partially or fully transfer price risks by locking-in asset prices. As instruments of risk management, these generally do not influence the fluctuations in the underlying asset prices. The origin of derivatives can be traced back to the need of farmers to protect themselves against fluctuations in the price of their crop. These were simple contracts developed to meet the needs of farmers and were basically a means of reducing risk. In 1848, the Chicago Board of Trade, or CBOT, was established to bring farmers and merchants together.

Derivatives defined

Derivative is a product whose value is derived from the value of one or more basic variables, called bases in a contractual manner. The price of this derivative is driven by the spot price of wheat which is the "under lying".

(1) A security derived from a debt instrument, share, and loan whether secured or secured, risk instrument or contract for differences or any other form of security. (2) A contract which derives its value from the prices, or index of prices, of underlying securities.

Objective

1. To study of the Derivative Various Important Product.
2. To assess the impact of derivative market effect in cash market segment.
3. To study Factors driving the growth of Derivatives.
4. To study of Index funds.

Research Methodology

The present study is purely based on Secondary data. The main source likes reference books, journals, periodicals and various websites.

Emergence of Financial Derivative Products

Derivative products initially emerged as hedging devices against fluctuations in commodity prices, and commodity-linked derivatives remained the sole form of such products for almost three hundred years. Financial derivatives came into spotlight in the post-1970 period due to growing instability in the financial markets. However, since their emergence, these roducts have become very popular and by 1990s, they accounted for about two-thirds of total transactions in derivative products. In the class of equity derivatives the world over, futures and options on stock indices have gained more popularity than on individual stocks, especially among institutional investors, who are major users of index-linked derivatives. Even small investors find these useful due to high correlation of the popular indexes with various portfolios and ease of use.

Factors driving the growth of Derivatives

Over the last three decades, the derivatives market has seen a phenomenal growth. A large variety of derivative contracts have been launched at exchanges across the world. Some of the factors driving the growth of financial derivatives are: (1) Increased volatility in asset prices in financial markets, (2) Increased integration of national financial markets with the international markets, (3) Marked improvement in communication facilities and sharp decline in their costs, (4) A wider choice of risk management strategies, (5) Innovations in the derivatives markets, which optimally combine the risks and returns over a large number of financial assets leading to higher returns, reduced risk.

Derivative Products

Derivative contracts have several variants. The most common variants are forwards, futures, options and swaps.

1. Forwards: A forward contract is a customized contract between two entities, where settlement takes place on a specific date in the future at today's pre-agreed price.

2. Futures: A futures contract is an agreement between two parties to buy or sell an asset at a certain time in the future at a certain price.

3. Options: Options are of two types - calls and puts. Calls give the buyer the right but not the obligation to buy a given quantity of the underlying asset, at a given price on or before a given future date. Puts give the buyer the right, but not the obligation to sell a given quantity of the underlying asset at a given price on or before a given date.

4. Warrants: Options generally have lives of up to one year, the majority of options traded on options exchanges having a maximum maturity of nine months. Longer-dated options are called warrants and are generally traded over-the-counter.

5. LEAPS: The acronym LEAPS means Long-Term Equity Anticipation Securities. These are options having a maturity of up to three years.

6. Baskets: Basket options are options on portfolios of underlying assets. The underlying asset is usually a moving average of a basket of assets. Equity index options are a form of basket options.

7. Swaps: Swaps are private agreements between two parties to exchange cash flows in the future according to a prearranged formula. They can be regarded as portfolios of forward contracts.

Economic Function of the Derivative Market

The derivative markets are commonly looked at; these markets perform a number of economic functions.

(1) Derivatives help in discovery of future as well as current prices. (2) The derivatives market helps to transfer risks. (3) Derivatives due to their nature are linked to the underlying cash markets. (4) Speculative trades shift to a more controlled environment of derivatives market. (5) Margining, monitoring and surveillance of the activities of various participants.

Features of OTC derivatives

1. The dynamic nature of gross credit exposures;
2. Information asymmetries;
3. The effects of OTC derivative activities on available aggregate credit;
4. The high concentration of OTC derivative activities in major institutions; and
5. The central role of OTC derivatives markets in the global financial system.

Report on the Developments in the Derivatives Market

(1) A status report for January-March, 2012 on the developments in the derivatives market. (2) Policy developments during January-March, 2012 There were no major policy developments taken place in exchange traded derivatives market during Jan.-Mar., 2012. (3) Equity Derivatives Segment Observations on the data for January-March, 2012ØAt the end of March 2012, NSE had derivatives (futures and options) on 217 stocks and 9 indices while BSE had derivatives on 218 stocks and 9 indices.

Members of BSE Derivatives Segment

1. Trading Member. (TM).
2. Trading-Cum-Clearing Member (TCM).
3. Professional Clearing Member.(PCM) / Custodial clearing Member.(CU)
4. Limited Trading Member (LTM).
5. Self Clearing Member(SCM)

Index funds

An index fund is a fund that tries to replicate the index returns. It does so by investing in index stocks in the proportions in which these stocks exist in the index. The goal of the index fund is to achieve the same performance as the index it tracks.

Statement of the problem

In recent year investment made in derivative market growing radically. Why because of the derivative market is highly volatile in nature, when compared to the cash market. Initially the derivative market started it as a tool for hedging. But finally, it is used for skimming the market opportunities. Especially to the settlement cycle of the derivative market, influence is huge in cash market.

Conclusion

This study has empirically provided the information about the equity derivatives in Indian stock market. The result of the study showed the fact that the strike price reacted to the index price. The analysis presented in this study has implications to know the terminology and technical analysis of the market efficiency. From the above findings clearly states that the returns in strike prices are same movement in the settlement period. Pivote points used to know the level at which investor going to take a decision for buying and selling the instruments. This research study further provides better scope for doing research study in the areas of derivative market effects.

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A Study About Stock Exchange In India - Operations And Management

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Introduction

Stock exchanges provide an organised market for transactions in shares and other securities. The emergence of capital market can be traced back to the second half of the eighteenth century when the transactions were limited to loan stock transactions of the East India Company. By 1830 some corporate stocks had emerged due to economic boom and establishment of textile mills. Stock exchanges at Bombay, Ahmedabad and Calcutta started functioning, though without formal organisation. Bombay Stock Exchange was formalized in 1875 with the establishment of Native Share and Share Broker Association. Stock exchange trading got a big boost during the First World War and the Second World War with the incorporation of large number of joint stock companies and coming up of new stock exchanges at Madras, Delhi, Nagpur, Kanpur, Hyderabad, and Bangalore. As of 2005, there are 23 recognised stock exchanges in India with about 6000 stock brokers. The secondary market for securities has undergone tremendous transformation and growth in terms of number of listed companies, net worth of listed companies, number of shareholders, number of intermediaries, and annual market capitalisaion.

Objectives of the Study

- To know Stock Exchange in India.
- To review the Operation and Management.
- To understand the regulation of stock exchange in India.

Regulation and Management

All stock exchanges were subject to self-regulation and the activities in stock exchanges were of speculative character till 1956. The securities contracts Regulation Act was promulgated in 1956. The Ministry of Finance was vested through Stock Exchange division, powers to administer SCRA including recognition of stock exchanges and their operations.

The Securities and Exchange Board of India (SEBI) which is presently working as a regulator of stock market also tries to ensure a qualitative improvement in the stock market by rendering it fair, transparent and efficient. Various functions of SEBI would be discussed in one of the forthcoming chapters. In addition, all stock exchanges have their own separate Governing Boards These governing boards consist of elected member-directors i.e. stock broker directors, public representatives, and government SEBI nominees. Each stock exchange has its rules, bye-laws and regulations which vest in the government/SEBI powers to nominate Presidents and Vice-Presidents of stock exchanges and to approve appointment of Chief-executive and public representatives to the governing board. The chief executive exercises control on members including their admission, expulsion, adjudication of disputes, imposition of penalties, regulation of market and investor protection.

Stock Exchange Markets

Stock exchange means any body of individuals, whether incorporated or not, constituted for the purpose of assisting, regulating or controlling the business of buying, selling or dealing in securities. Such body to be recognised under SCRA and SEBI has to meet certain requirements regarding procedure for application, having a governing board, constitution, bye-laws, rules and regulations, filing of periodical returns, etc.

Bombay Stock Exchange is the oldest Indian stock market in Asian markets. Its history dates back to nearly two centuries when the records of security dealings in India were meagre and obscure. The East India Company was the dominant institution in those days and business in its loan securities was transacted towards the close of the eighteenth century. The Bombay Stock Exchange has been converted into company for very recently. Now it is known as Mumbai Stock Exchange Ltd. The executive director is in charge of the administration of the exchange and is supported by elected directors, Securities Exchange Board of India (SEBI) nominees, and public representatives.

The National Stock Exchange of India Limited was set up to provide access to investors from across the country on an equal footing. NSE was promoted by leading financial institutions at the behest of the Government of India and was incorporated in November 1992 as a tax-paying company, unlike other stock exchanges in the country. Besides the regional stock exchanges three national stock exchanges have been set up in India. They are the National Stock Exchange, Over the Counter Exchange of India Limited (OTCEI), Interconnected Stock Exchange of India Limited (ISE). All these exchanges have their head office at Mumbai.

Stock Exchange Members

Transactions in any stock exchange are executed by member brokers who deal with investors. A member of a stock exchange is an individual or a corporate body who holds the right to trade in the stocks listed on the exchange. A corporate body could have a partnership, corporate, or a composite corporate membership. All members are permitted to trade in the trading ring. They can trade in the ring on their own behalf or on behalf of non-members. An investor can buy or sell securities only through one of the members who is also registration bankigng of the exchange. The brokers in a stock exchange act as a link between those who want to buy shares and those who want to sell the shares. A broker for this intermediary function is paid a commission called the brokerage. Brokers can appoint sub-brokers, who are not members of the exchange, to act on their behalf in various localities. Besides brokers, there are also jobbers in the secondary market. They are also called market makers in the exchange. They place both buy and sell orders for selected shares. Thus they give two quotations, the purchase price and the sale price, for the same share. Brokers are paid commission for this intermediary function. Bookers are paid commission for this intermediary function.

Trading at Stock Exchanges

Trading in any of various categories of the shares is done during trading hours fixed by the specific stock exchange. If trading is done before or after these fixed hours, it is called as kerb trading. During trading hours, members approach other brokers or jobbers who have an offer or sale quotations. Once the offer for sale and purchase is matched, a transaction takes place and is recorded by the concerned parties. At the end of each trading day, the brokers make a note of the transactions that actually took place, on whose behalf and for what value. Though trading in shares takes place on all stock exchange working days, the settlements need not take place automatically. The Settlement Committee of the exchanges fix the schedules of trading and settlement. In these schedules, the settlement for purchase or sale transactions may also take place once in a fortnight, that is, 10 or 15 trading days. After the fortnight, three days are offered as grace days. There might also be one or two additional days for correcting errors and omissions, and then securing a final settlement for each member's position in respect of the shares dealt in. After consolidating both the purchase and sale transactions, the members arrive at the net settlement to be made for each company's share.

Conclusion

The existence of secondary markets for shares is of advantage to both the company and the investors. As for the companies, a good performance of the company's shares in the capital market creates a good image or goodwill for the company so that it can use this market information successfully for its future finance requirements. A successful company in this sense will get an over-subscription of applications in subsequent new issues and it will also be able to price its subsequent issues at a desired premium. Investors also benefit from secondary markets. If not for the secondary markets, investors may not sell or buy shares from other market players. They would never be able to get capital appreciation benefits when they require funds for their immediate needs. Those who trade in the secondary market are given the option to sell or buy a share on any trading day, provided there is the requisite demand/ supply. This assures investors that they can take back the investment when needed. Thus, the secondary market performs the economic function of transfer of funds between the public at large and the industry. A secondary market could provide quality service if it could assure its investors of fast, fair, orderly, and open system of purchase and sale of shares at known prices. Due to improved trading mechanisms and transparency in stock exchange operations, and monitoring by the regulatory body, the stock exchanges can perform their role efficiently to both the investors and the corporate entities. Trading in stock exchanges has been made transparent and smooth through computerised screan barnd trading. This has enabled online trading of shares in the secondary market. The online system is order quote driven and facilitates efficient processing, automatic order matching, and faster execution of orders in a transparent manner. This facility enables members to enter orders on the trader workstations (TWSs) from their offices instead of assembling in the trading ring. This facility has enabled many regional stock exchanges to widen their market nationally and internationally.

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A Conceptual Study Of CSR Development In India

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Abstract

The concept of CSR has gained unprecedented momentum in business and public debates and has become a strategic issue which affects the way in which a company does business. Many organizations now include CSR as one of their core values. Corporate communications proudly report on their CSR endeavors to indicate the organizations are fulfilling their obligations to the society and are therefore eligible for the social license to operate. The CSR activities, which range from small donations to bigger projects, are usually directed at social welfare and environmental sustainability. Increasingly, society is calling on corporate entities to perform roles and responsibilities as corporate citizens (CC) in society. CSR is one of the root concepts of CC. Others are: business citizenship, corporate responsibility, corporate social performance, stakeholder theory, corporate reputation, and corporate community relations. Corporate Citizenship, in its various connotations, is a concept that is marked by ambiguity and lack of consensus on what it really means. According McWilliams and Siegel (2001), CSR refer to situations where a firm carries out "actions that appear to further some social good, beyond the interests of the firm and that which is required by law."

Keyword

Requirement of CSR role, The Four Phases of CSR Development in India, Current State of CSR in India

Introduction

Corporate social responsibility (CSR, also called corporate conscience, corporate citizenship, social performance, or sustainable responsible business/ Responsible Business) is a form of corporate self-regulation integrated into a business model. CSR policy functions as a built-in, self-regulating mechanism whereby a business monitors and ensures its active compliance within the spirit of the law, ethical standards, and international norms. CSR is a process with the aim to embrace responsibility for the company's actions and encourage a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere who may also be considered as stakeholders.

The term "corporate social responsibility" came into common use in the late 1960s and early 1970s after many multinational corporations formed the term stakeholder, meaning those on whom an organization's activities have an impact. It was used to describe corporate owners beyond shareholders as a result of an influential book by R. Edward Freeman, Strategic management: a stakeholder approach in 1984. Proponents argue that corporations make more long term profits by operating with a perspective, while critics argue that CSR distracts from the economic role of businesses. Others argue CSR is merely window-dressing, or an attempt to pre-empt the role of governments as a watchdog over powerful multinational corporations.

CSR is titled to aid an organization's mission as well as a guide to what the company stands for and will uphold to its consumers. Development business ethics is one of the forms of applied ethics that examines ethical principles and moral or ethical problems that can arise in a business environment. ISO 26000 is the recognized international standard for CSR. Public sector organizations (the United Nations for example) adhere to the triple bottom line (TBL). It is widely accepted that CSR adheres to similar principles but with no formal act of legislation. The UN has developed the Principles for Responsible Investment as guidelines for investing entities.

What is CSR?

Corporate Social responsibility in the past few decades has intrigued not only the scholars but the practioners as well. It is essentially a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment (European Commission, 2001). Companies consider themselves as an integral part of the society and act in a socially responsible way (EC, 2001). Till very recently it was viewed as philanthropic activity indulged into only when the firms were in jeopardy. But it is now viewed to be inclusive, broad and diverse. CSR is now viewed as integral part of business strategy to minimize the business risks linked to uncertainty. Though the critics are of the view, CSR is nothing but Corporate Conspiracy to Snatch Resources (CSR), in the name of CSR.

Just the definition of CSR by itself is a challenge:

- Corporate: Corporations look after their benefit, and ultimately, what other benefit than impacting the bottom line are we talking about?
- Social: Well yes, is everything about social "free" and "giving"?

A Corporate Social Responsibility endorsement can be about just allocating a certain amount to a charity and clearing your conscious.

Requirement of CSR role

This is hard to clarify due to the diverse roles and range of disciplines involved. Though the major skills required for successful CSR Professional are

1. Business skills (including building insight, communication skills, decision making, commercial awareness, IT, innovation, strategic awareness, leadership, handling complexity and problem solving)

2. People skills (including adaptability and empathy, developing others, influencing without power, open minded, integrity, political awareness, self-development and learning, building partnerships, team working and questioning "business as usual")

3. Technical skills (including technical expertise, understanding impacts, stakeholder dialogue, internal consultancy, selling the business case, understanding human rights and understanding sustainability).

From above three skills, following 6 core competencies are listed for managers involved with CSR in organizations:

(a) Understanding society (b) Building capacity (c) Questioning business as usual (d) Stakeholder relations (e) Strategic view (f) Harnessing diversity

The Four Phases of CSR Development in India

The history of CSR in India has its four phases which run parallel to India's historical development and has resulted in different approaches towards CSR. However the phases are not static and the features of each phase may overlap other phases.

1. The First Phase - In the first phase charity and philanthropy were the main drivers of CSR. Culture, religion, family values and tradition and industrialization had an influential effect on CSR. In the pre-industrialization period, which lasted till 1850, wealthy merchants shared a part of their wealth with the wider society by way of setting up temples for a religious cause. Moreover, these merchants helped the society in getting over phases of famine and epidemics by providing food from their godowns and money and thus securing an integral position in the society. With the arrival of colonial rule in India from 1850s onwards, the approach towards CSR changed. The industrial families of the 19th century such as Tata, Godrej, Bajaj, Modi, Birla, Singhania were strongly inclined towards economic as well as social considerations. However it has been observed that their efforts towards social as well as industrial development were not only driven by selfless and religious motives but also influenced by caste groups and political objectives.

2. The Second Phase - In the second phase, during the independence movement, there was increased stress on Indian Industrialists to demonstrate their dedication towards the progress of the society. This was when Mahatma Gandhi introduced the notion of "trusteeship", according to which the industry leaders had to manage their wealth so as to benefit the common man. "I desire to end capitalism almost, if not quite, as much as the most advanced socialist. But our methods differ. My theory of trusteeship is no make-shift, certainly no camouflage. I am confident that it will survive all other theories." This was Gandhi's words which highlights his argument towards his concept of "trusteeship". Gandhi's influence put pressure on various Industrialists to act towards building the nation and its socio-economic development. According to Gandhi, Indian companies were supposed to be the "temples of modern India". Under his influence businesses established trusts for schools and colleges and also helped in setting up training and scientific institutions. The operations of the trusts were largely in line with Gandhi's reforms which sought to abolish untouchability, encourage empowerment of women and rural development.

3. The Third Phase - The third phase of CSR (1960–80) had its relation to the element of "mixed economy", emergence of Public Sector Undertakings (PSUs) and laws relating labour and environmental standards. During this period the private sector was forced to take a backseat. The public sector was seen as the prime mover of development. Because of the stringent legal rules and regulations surrounding the activities of the private sector, the period was described as an "era of command and control". The policy of industrial licensing, high taxes and restrictions on the private sector led to corporate malpractices. This led to enactment of legislation regarding corporate governance, labour and environmental issues. PSUs were set up by the state to ensure suitable distribution of resources (wealth, food etc.) to the needy. However the public sector was effective only to a certain limited extent. This led to shift of expectation from the public to the private sector and their active involvement in the socio-economic development of the country became absolutely necessary. In 1965 Indian academicians, politicians and businessmen set up a national workshop on CSR aimed at reconciliation. They emphasized upon transparency, social accountability and regular stakeholder dialogues. In spite of such attempts the CSR failed to catch steam.

4. The Fourth Phase - In the fourth phase (1980 until the present) Indian companies started abandoning their traditional engagement with CSR and integrated it into a sustainable business strategy. In 1990s the first initiation towards globalization and economic liberalization were undertaken. Controls and licensing system were partly done away with which gave a boost to the economy the signs of which are very evident today. Increased growth momentum of the economy helped Indian companies grow rapidly and this made them more willing and able to contribute towards social cause. Globalization has transformed India into an important destination in terms of production and manufacturing bases of TNCs are concerned. As Western markets are becoming more and more concerned about and labour and environmental standards in the developing countries, Indian companies who export and produce goods for the developed world need to pay a close attention to compliance with the international standards.

Current State of CSR in India

CSR is not a new concept in India. Ever since their inception, corporate like the Tata Group, the Aditya Birla Group, and Indian Oil Corporation, to name a few have been involved in serving the community. Through donations and charity events, many other organizations have been doing their part for the society. The basic objective of CSR in these days is to maximize the company's overall impact on the society and stakeholders. CSR policies, practices and programs are being comprehensively integrated by an increasing number of companies throughout their business operations and processes. A growing number of corporate feel that CSR is not just another form of indirect expense but is important for protecting the goodwill and reputation, defending attacks and increasing business competitiveness. Companies have specialized CSR teams that formulate policies, strategies and goals for their CSR programs and set aside budgets to fund them. These programs are often determined by social philosophy which have clear objectives and are well defined and are aligned with the mainstream business. The programs are put into practice by the employees who are crucial to this process. CSR programs ranges from community development to development in education, environment and healthcare etc. For example, a more comprehensive method of development is adopted by some corporations such as Bharat Petroleum Corporation Limited, Maruti Suzuki India Limited, and Hindustan Unilever Limited. Provision of improved medical and sanitation facilities, building schools and houses, and empowering the villagers and in process making them more self-reliant by providing vocational training and a knowledge of business operations are the facilities that these corporations focus on. Many of the companies are helping other peoples by providing them good standard of living. On the other hand, the CSR programs of corporations like GlaxoSmithKline Pharmaceuticals' focus on the health aspect of the community. They set up health camps in tribal villages which offer medical check-ups and treatment and undertake health awareness programs. Some of the non-profit organizations which carry out health and education programs in backward areas are to a certain extent funded by such corporations.

Also Corporate increasingly join hands with Non-governmental organizations (NGOs) and use their expertise in devising programs which address wider social problems.

For example, a lot of work is being undertaken to rebuild the lives of the tsunami affected victims. This is exclusively undertaken by SAP India in partnership with Hope Foundation, an NGO that focuses mainly on bringing about improvement in the lives of the poor and needy . The SAP Labs Center of HOPE in Bangalore was started by this venture which looks after the food, clothing, shelter and medical care of street children.

CSR has gone through many phases in India. The ability to make a significant difference in the society and improve the overall quality of life has clearly been proven by the corporate. Not one but all corporate should try and bring about a change in the current social situation in India in order to have an effective and lasting solution to the social woes. Partnerships between companies, NGOs and the government should be facilitated so that a combination of their skills such as expertise, strategic thinking, manpower and money to initiate extensive social change will put the socio-economic development of India on a fast track.

Society has always had certain expectations of business, and in today's environment corporations are expected to do the right things socially and ecologically. To get the most out of their corporate social responsibility (CSR) efforts, organizations need to answer some key questions:

i. Why does CSR need to be on top of the management agenda and an integral part of a company's strategy?
ii. Why can we not afford to ignore CSR, even in a difficult economic environment?
iii. How can we be rewarded in financial markets for CSR?
iv. What are the potential pitfalls of CSR?

Conclusion

Thus, society's perception of corporate social responsibility seems to undergo a phase of fundamental change. A variety of forces -geopolitical, socio-economic, demographic and technological- appear to influence society's changing expectations of business. It believe that the CSR activity will help to create a positive workplace that values the talents of the employees and will have a positive impact on the wider community, the environment and on society. CSR benefits to employees by widening their experience or helping them develop new skills through volunteering for specific projects. Through CSR intend to become an exemplar in environmental practices.

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Study On Impact Of Consumer Behavior On Apparel Choices With Functional Features

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Introduction

Consumer behavior is defined as "the behavior the consumer shows while searching, purchasing, using and evaluating the apparel". It means that the buying habits of the consumer are greatly affected by their thought process and their feelings experienced. Human beings are greatly influenced in their buying actions by various factors like opinion of others, marketing stimuli like product, advertising, packaging, product appearance and functional properties.

Brands have special importance for apparel. Branded apparel are recognized by their brand names, labels, symbols, logos or marks, and these apparel are popular through advertisements, promotional techniques etc that make the consumer aware of their existence in the apparel segment. The same is not applicable for unbranded apparel as their names, labels, symbols, logos are not recognizable.

Factors Influencing behavior of consumer

- **Social factors:** Family, roles and status, reference groups.
- **Economic factor**: Size of family, income level, propensity to consume and consumer credit.
- **Cultural Factor:** Values, Be lives and arts
- **Personal factors:** Age, occupation, lifestyle and personality

· **Physiological Factors:** Basic needs.

Functional features

Six magnitudes are considered under functional features for the study as shown in Table 1.

Table 1: functional features
Shrikage
Durability
Pilling
laundary
colourfastness
Type of fabric

Shrinkage: reduction in the size of textiles after washing, soaking, or treatment with moist heat; the articles may be reduced in linear dimensions, area, or volume.

Durability: The ability of a fabric to resist wear through continual use.

Pilling: A tangled ball of fibers that appears on the surface of a fabric, as a result of wear, abrasion, or continued friction or rubbing on the surface of the fabric.

Launder ability: Laundering or ease of washing is term applied to washing of garment under recommended procedures/conditions as mentioned in 'care labels' attached to the apparel.

Colourfastness: Colour fastness is a term used in the dyeing of textile materials, meaning resistance of the material's colour to fading or running.

Type of fabric: It is imperative for consumer to know fiber type because it is directly related with comfort and wear properties.

Research Objective:

The Objective of the study was as follows:

- To find out the priority ranking of functional features for branded and unbranded apparels by consumers.
- To understand the relation of consumer behavior with priority ranking of functional features for apparels.

Sampling criteria

Collected samples were divided into three categories on the basis of the age, i.e., young age group (18 - 30 years), middle age group (31 - 45 years) and old age group (46 and above). Number of samples from different age groups was nearly the same.

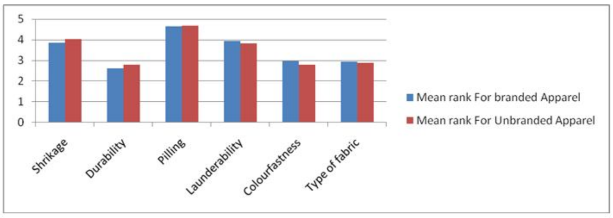
Majority of respondents (70 per cent) included in the survey, were graduates whereas others did not have a graduation degree. Moreover, a bulk of total sample (61 per cent) belonged to category of yearly income of less than Rs 2 lakh while rests of respondents were from income of more than Rs 2 lakh. For the research, three categories of occupation were created namely, professionals, clerical/peon and small business.

Priority ranking of functional features in branded and unbranded apparel

For the purpose of assessment any feature having a mean ranking of up to three was considered most important criteria. Features, which had mean ranking between three and four are considered of medium important criteria, whereas mean ranking of features above four were considered less important criteria in priority.

It has been observed that from Table 3, that highest priority is given to durability as most important features for a apparel by consumers, after that fabric type and colorfastness in branded. Medium priorities were shrinkage and launder ability and the less important priority was given to pilling in branded apparels. A very similar movement was noticed in case of unbranded apparels, the only difference being that both pilling and shrinkage got the least priority by consumers.

Table 3: Priority ranking of functional in branded and unbranded apparel



Source:- Primary Data

Highest priority=1,Second highest=2,and so on

Priority ranking of functional features with age of respondents

Age plays a dynamic role in consumer's tastes. Choice of Teenagers and older consumers is different. Therefore organization should carry out market survey in order to understand consumer's needs and demands regarding and try to fulfill them.

Table4: Mean score of functional features by age of consumers

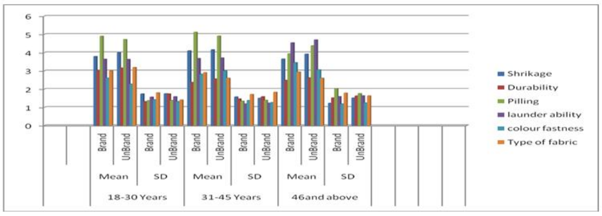


Table 4 shows the mean values of priority of different functional features with reference to age of respondents. Table 5, shows the comparison of means, which signify difference in age groups with priority ranking of most important functional features as responded by consumers. Anova compares means of different groups. Between groups represents variation of the group mean around the overall mean. Within group represents variation of the individual scores around their group means.

Table 5: Priority ranking of functional features by age of consumers

Functional features	Branded apparel			Unbranded apparel		
	df	F	Sig	df	F	Sig
Shrikage	2,197	1.552	.214	2,197	.391	.677
Durability	2,197	4.22	.016*	2,197	2.745	.067
Pilling	2,197	9.983	.000*	2,197	2.048	.132
Launderability	2,197	7.993	.000*	2,197	2.534	.082
Colourfastness	2,197	6.926	.001*	2,197	7.601	.001
Type of fabric	2,197	.058	.944	2,197	2.232	.110

*Indicates significant P<.05

It is noticed from Table 5 that significance level for functional features namely durability, pilling, launder ability and colour fastness is less than 0.05 indicating that at least in one of the age groups priority differs from others in branded apparels. But the same is not seen in case of unbranded apparels where only one feature (colourfastness) differs from other age groups. The significance level of functional features, which exceeds 0.05, indicates that the priority in three age groups does not differ. As noticed from Table 6, Post Hoc test of branded apparels for significant features revealed that for durability, priority varied between consumers from younger and middle age groups. Younger consumers gave more priority to durability than middle aged consumers. In case of pilling, priority of older consumers differed from middle and younger age groups. Consumers in age group of 46-years and above considered pilling more important than others.

Conclusion

Thus it can be concluded that consumers considered durability, colourfastness and fiber type of apparel are most important aspects while pilling as less important attribute in a apparel irrespective, whether the apparel is branded or unbranded.

The preference of consumers for branded outfits even for unbranded apparels is fast changing caused by the creation of personality and status with the quality and comfort they deliver. Due to the increased awareness and consciousness, people are ready to spend any price for comfort and quality. current era provide high quality materials and lot of variety in garment to satisfy the desire of customers. The customers are also utilizing the opportunity . The results confirm that consumers have become highly brand conscious presently. Hence, brand image is a not a significant factor in choosing the product

There are other aspects like, quality, comfort, expectations , age occupation ,education and income are also influence to the purchasing decision.

These results will help organization to focus on above parameters that are considered as important by consumers. Moreover, perceptions change according to age of consumers. Marketers and brand builders can utilize these opinions based on age for building up strategies for apparel brand promotion.

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Integration Of Corporate Social Responsibility With Strategic Management

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Abstract

This research paper presents a perspective which calls for an integration of Corporate Social Responsibility (CSR) with Strategic Management. The researcher has tried to configure on how a company can carry out integration of CSR with strategic management. Firms must engage CSR with strategic intent as it would lead them to develop competitive advantages, reputation and customer relations. CSR should be considered as a part of the strategic management. This paper explore understanding of the term Corporate Social Responsibility and explaining how and why it needs to be much more strategic in outlook, if it is to be assured of longevity and delivering real value to the organization.

Keywords: Integration, CSR, Strategic Management, Process.

Introduction

Strategic decisions of a company have both social and economic consequences. Social responsibility of a company is a main element of the strategy formulation process. Corporate social responsibility is a form of management that considers ethical issues in all aspects of the business. CSR requires a clearly articulated vision, mission and values. The company must initiate or support the development, or upgrade, of a vision, mission and values if does not exist or does not explicitly address CSR in strategy intent. The company needs to incorporate elements of corporate social responsibility in strategic outlook.

Corporate Social Responsibility (CSR)

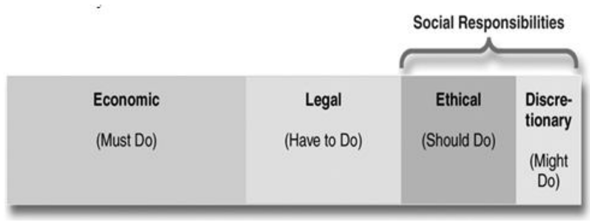
In recent years the concept of Corporate Social Responsibility is defined in terms of the responsiveness of businesses to stakeholder's legal, ethical, social and environmental expectations. There are variations of CSR definition, a commonly used definition is "firm actions designed to improve social or environmental conditions". A frequently used variation of the definition is "a commitment to improve societal well-being through discretionary business practices and contributions of corporate resources".

The World Business Council for Sustainable Development defines CSR as "the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large"

McWilliams et al (2006) argue that CSR has several strategic implications for an organization. Firstly, evidence has shown that CSR can help to build and improve an organization's reputation. Furthermore, it can help an organization achieve a competitive advantage, as it is an organizational capability that is difficult to imitate and can thus offer the potential for sustained competitive advantage. Secondly, integrating CSR into the organizational strategy will help the organization meet the increasing external demands for CSR, thus contributing to a greater strategic fit between the business and its environment. As a result there is a growing recognition that CSR should become fundamental to the way an organization operates, as opposed to an 'add on'.

Carroll's 4 Social Responsibilities

- Economic
- Legal
- Ethical
- Discretionary



Integrating CSR with strategic management requires sound knowledge of the types of social responsibilities a company has to deals with,

- Economic responsibilities are the most basic type of social responsibilities. The company is expected to provide goods to the society at reasonable prices, create jobs and pay due taxes.
- Legal responsibilities reflect the obligation to comply with the laws that regulate business activities.
- Ethical responsibilities mirror the company's notion of the right business behavior. Some actions might not be illegal but can be unethical. Making and selling cigarettes is a case in point.
- Finally, discretionary responsibilities are those

that are voluntarily adopted by the business. For example, companies that adopt the good citizenship approach, actively support charities, public service advertising campaigns and other public interest issues.

Social responsibility calls for companies to strike a balance between,

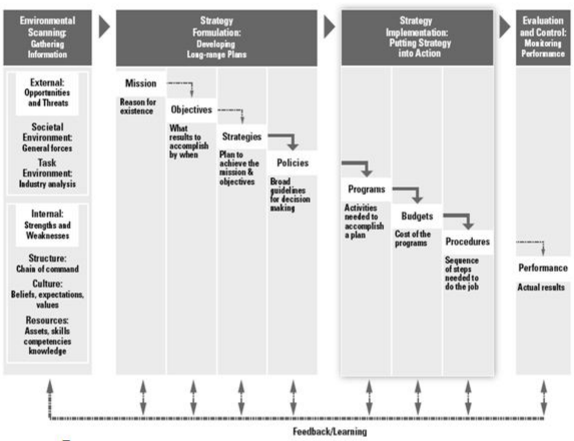
(1) Its economic responsibility to shareholders (2) The legal responsibility to comply with the laws of the countries where it operates (3) The ethical responsibility to abide by society's norms, and (4) The discretionary philanthropic responsibility to meet the unmet needs of society.

Strategic Management

Strategy is a well defined roadmap of an organization. It defines the overall mission, vision and direction of an organization. The objective of a strategy is to maximize an organization's strengths and to minimize the strengths of the competitors. Strategy, in short, bridges the gap between "where we are" and "where we want to be".

Strategic management is a continuous process that evaluates and controls the business and the industries in which an organization is involved; evaluates its competitors and sets goals and strategies to meet all existing and potential competitors; and then reevaluates strategies on a regular basis to determine how it has been implemented and whether it was successful or does it needs replacement.

It gives a broader perspective to the employees of an organization and they can better understand how their job fits into the entire organizational plan and how it is co-related to other organizational members. It is nothing but the art of managing employees in a manner which maximizes the ability of achieving business objectives. Strategic management is essential as it helps firms to rationalize change, actualize change and communicate the need to change better to its employees. Finally, strategic management helps in bringing order and discipline to the activities of the firm in its both internal processes and external activities.



Strategic Management Process

Strategic Intent- Strategic intent is the hierarchy of objectives that an organization sets for itself. Within this their are the Vision, Mission, business definition and objectives.

Strategy Formulation- Strategy formulation is the process of deciding best course of action for accomplishing organizational objectives and hence achieving organizational purpose. After conducting environment scanning, managers formulate corporate, business and functional strategies.

Strategy Implementation- Strategy implementation implies making the strategy work as intended or putting the organization's chosen strategy into action. Strategy implementation includes designing the organization's structure, distributing resources, developing decision making process, and managing human resources. "Putting into action phase."

Strategy Evaluation- Strategy evaluation is the final step of strategy management process. The key strategy evaluation activities are: appraising internal and external factors that are the root of present strategies, measuring performance, and taking corrective actions. Evaluation makes sure that the organizational strategy as well as its implementation meets the organizational objectives.

Objectives

1. To understand the CSR and strategic management process.
2. To integrate CSR with strategic management process.

Research Methodology

The research paper is primarily based on secondary data and it is collected from related books & websites mentioned in the references. The nature of the study is Exploratory. Its main advantage is the depth of observation instead of width of generalization possibilities.

CSR and Strategic Management

The company must recognize the need and opportunity for integrating CSR with strategic management, how it can add value to the organization and why this could be a good business strategy .These can be the first step to building CSR into the company's DNA and into the organization's operating and strategic framework.

It is reported that many firms that engage in CSR have a strategic intent, for example to reinforce their corporate strategy. Thus firms now engage in CSR to benefit, as it is considered to be a long term investment that can lead to competitive advantages.

Overall, CSR is empirically supported to provide a direct and indirect impact on firm performance. Direct impact can appear in the form of financial performance, while indirect impact can be enhanced brand image or market reputation. Hence, CSR is considered to be a part of the strategic management field. Since the strategic management concept entail a systematic analysis of internal and external factors associated with customers and the organization itself, it supports the design of optimal management practices. In turn this supports the alignment of firm level policies, strategic priorities and thus is interrelated to CSR.

Company should integrate CSR with overall firm level objectives and process of strategic management in following manner,

- First stage of strategic management process is Strategic intent, while making vision, mission, and objectives, Company should also determine what type of social responsibility is more attuned to its core activities and outside community so that it can include in its strategic intent. Companies must recognize issues of social importance and address them responsibly so that all stakeholders must come to know about the CSR area of company and thus it would also help company to achieve the set objectives.
- Second stage is Strategy Formulation, after conducting environment scanning managers formulates strategies for corporate, business and functional level at this time of strategy formulation, CSR policies should be taken into consideration and also be integrated with the overall corporate values and policies. CSR should be aligned with the overall business strategy and then strategies can be transformed into an action plan to accomplish the organizational objectives.
- Third Stage is Strategy implementation which implies putting the organization's chosen strategy into action. Company at this stage should consider Carroll's four social Responsibilities while designing the organization's structure, distributing resources, developing decision making process, and managing human resources. Company can take into account social Responsibilities as,
    1. Economic- To perform in a manner consistent with maximizing earnings per share.
    2. Legal- To perform in a manner consistent with expectations of government and law.
    3. Ethical- To prevent ethical norms from being compromised in order to achieve corporate goals.
    4. Discretionary- To assist voluntarily those projects that enhance a community's "quality of life."

— Fourth Stage is Strategy Evaluation, In this stage performance are measured and evaluated on the basis of strategy being implemented and if needed corrective actions are taken, to make sure that the organizational strategy as well as its implementation meets the organizational objectives. Thus CSR need to be strategic in order to create and capture value.

Conclusion

Company in which CSR remains a peripheral concern, mainly confined to public relations. So the company, through the integration of CSR into its strategic activities can achieve high performance levels both in financial and non-financial terms.

The above study concludes that company to perform its CSR must integrate with strategic management. However, the way it is configure above may be change as per the companies structure, environment in which company operates and also in the way of implementing strategic management in their organization.

For implementing CSR in organization it needs to be part of core business strategy which will lead to both company's competitive advantage and accomplishment of CSR activities. Although it is intricate to directly link CSR actions to financial results, it seems that it would be best practice to integrate CSR with company's strategic objectives for better attainment of set targets and alongside carrying out CSR activities.

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Importance Of Customer Relationship Management

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Introduction

CRM is the abbreviation for **customer relationship management**. It entails all aspects of interaction that a company has with its customer, whether it is sales or service-related. CRM is often thought of as a business strategy that enables businesses to: (1) Understand the customer (2) Retain customers through better customer experience (3) Attract new customer (4) Win new clients and contracts (5) Increase profitably (6) Decrease customer management costs

Customer relationship management (CRM) is composed of three main parts: customer, relationship and management. By customer, it means the final consumer that plays the supportive role in valuable relationships. By relationship, it means making more faithful and useful customers through learner relationship, and by management, it is creativity and direction of a customer business process and placing the customer in the center of processes and organization's business.

The term CRM with its present concept was emerged from 1990s, and is devised in business strategy for choosing and managing the most valuable relationships with customers. CRM required customer-oriented process and support from effective marketing processes, selling and services after selling in organization. In a simple sense, Customer-oriented culture is based on mutual relation-ship between customers and sellers. This orientation considers every customer with their own needs, buying and demands. By getting benefits from CRM, the relationship between customer and organization and their demands will be evaluated. In fact, CRM is a process for gathering and integrating data in order to be utilized effectively and objectively. This data can be about customers, selling, effective marketing and the sensitivities and demands of market.

The necessity to develop the information technology, and especially World Wide Web and electronic commerce created an opportunity for improving the relationship with customers compared with the former facilities in today's competitive markets. The aim of changing this communications and interactions is to getting more benefits through increasing repetitive buying and decreasing customer's costs. In fact, this evolved customer relationship management is a new theory in marketing.

Uses and Importance of CRM

1) The phrase customer relationship management is most commonly used to describe a business-customer relationship; CRM systems are used in the same way to manage business contacts, clients, contract wins and sales leads.
2) Customer relationship management solutions provide you with the customer business data to help you provide services or products that your customers want provide better customer service, cross-sell and up sell more effectively, close deals, retain current customers and understand who the customer is.
3) Today Customer relationship management is one of the important concepts. In order to be developed and involved in economic competence, organizations should pay a special attention to customers and maintain their relationships with good's purchasers more than ever. Therefore, it is required to design a system for attracting and maintaining the customers in organizations. The system which is useful for this is known as Customer relationship management.
4) World of commerce today recognizes this principle that customers have the main role in commerce, and the organization's success depends on the improved relationship management. As per that in 1990s, transactions management was changed into relationship management in many organizational strategies.
5) Customers relationship management, can increase the organization's capabilities to reach the final goal, that is maintain the customers if used appropriately. Therefore, a strategic benefit will be attained against the competitors.
6) The customer relationship management systems help the organizations maximize their capabilities in mutual performance with customers. Not only do this process lead to improved quality, but responding to customer's needs will be increased.

7) The merchants and sellers should have a comprehensive knowledge about their customer's types. For example, how the products should be sold to angry and irritable customers. How should behave to the customers who are capricious in dealings and change easily their moods. The seller required to have much patience as well as be aware the selling techniques to these types of people. He must be aware that the basis of the personality traits of these peoples is fear. However, a successful seller and merchant should equip him/herself to behavior science. By that the seller will be successful in improving the selling in the future.

The reason for success of Japan's industries after World War Two was its awareness of the fact that the organization which give services or products to people permanently should ask their customer's opinions as a feedback all the time in order the defects of that organization be recognized and the necessary procedures for revisions be developed based on these opinion. The organizations which are competing for gaining power in the market are permanently seeking the ways to overcome their competitors. A successful customer relationship management is one of the main benefits in competition that organizations can make use in avoiding the transferring of customers to other organizations. Customer relationship management is able to decrease the distance between customers and organization, and bring the organizational success.

Problems For Executing CRM - Before applying the CRM strategy, the organization should be fully aware of potential and probable problems. The main points which are necessary to consider by an organization are as follows:

The cost of initial launching - The cost of initial launching is one of the challenges facing CRM. It is possible that organizations invest highly on practical tools of customer management. Because of the fact that some tools may have specialized usage, they may hardly be shared in other parts.

Integrated practical tools - The organizations need practical tools that are made based on customer living circle and the performed interactions. The organizations that need the performed interaction management with customer in different languages and currencies are not able to apply through traditional technologies and this process is so difficult for them.

Cooperation between different parts - CRM is an integrated orientation and required to be cooperated with business parts that were independent before. The data that gathered in a part should be shared in all other parts. It is possible that some parts be reluctant to share their data to others.

Training the organization's employees - The organization's employees should pass the specialized and applied courses in the field of interaction and contact with customers to contact with customers effectively as well as obtain the ability to use new technologies.

Revising the new processes and designs - The organizations can't achieve to their aims without a rational and good design and improve the processes related to CRM to attain the development and improvement requirements.

Employing New Technologies - Employing CRM needs some changes to be made in organization's foundation and employing new technologies, such as new work rules, data banks, information technologies, etc. This changes lead to useful and effective evolutions in organization.

Necessity of CRM

Value of the customer living be improved, using customer relationship management is highly important. In the past few years, customer relationship management has highly been emphasized in the field of marketing, information technology, etc. Especially, university students, software sellers, consultants and business owners are highly dealt with it, and developed this concept namely organization's efforts in creating and presenting higher value to customers.

Organizations recognized that customers are their esteemed property; therefore, they consider the relationship with customers as a useful interaction which requires an appropriate management. The world's current competition market has forced the organizations pay more attention to customers and consider the customer and his/her agreement regarding the services instead of massive and efficient production to customer. Customer relationship management helps the organizations recognize important and key customers and maintain them in future interaction; and consequently, decrease the customer attraction costs and also increasing organization's in- comes through customers.

The basics and foundation of every strategy is information and technology. Therefore, organizations must be sure individuals achieved the essential and suitable information for effective and efficient planning and decision making. For doing so, organizations can create a standard for attracting customers.

Customer-centric relationship management (CCRM)

CCRM is a style of **customer relationship management** that focuses on customer preferences, instead of customer leverage. This is a sub-discipline of traditional customer relationship management, to take advantage of changes in communications technology.

A CRM system becoming more "customer-centric" means being able to manage critical relationships more effectively and being positioned to offer new and expanded services. Customer centric organizations help customers make better decisions and drive profitability.

CCRM adds value by engaging customers in individual, interactive relationships.

Features of CCRM

1. Customer-centric relationship management is used in marketing, customer service and sales, including:

- one-to-one customer service
- retaining customers
- building brand loyalty
- providing information customers actually want

2. Sales forces also play an important role in CRM, as maximizing sales effectiveness and

3. Bottom of Form Technology and the Web has changed the way companies approach CRM strategies because advances in technology have also changed consumer buying behavior and offers new ways for companies to communicate with customers and collect data about them. Self-service channels like the Web and smart phones — customer relationships is being managed electronically.

4. Many aspects of CRM relies heavily on technology; however the strategies and processes of a good CRM system will collect, manage and link information about the customer with the goal of letting you market and sell services effectively.

Happy Customers = Returning Customers

As per that we can say that the business world is changing from opinions-based decision-making to data-based decision-making, which makes customer relationship management so important to companies,

From all this, it's clear CRM vendors should be focusing on adding or improving existing capabilities that will make enterprises more efficient, especially across sales force automation and contact management.

Above all, business have to think the ways of providing to improve customer service through integration with social networks and company data that will improve customer interactions.

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Pricing Strategy In India Real Estate

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Abstract

The paper discusses the trends and various determinants of pricing strategy of the real estate sector in Indian, restricting the analysis to the retail housing component. Descriptive research design has been used and data has been collected from 450 buyer and 50 developers from Delhi and neighbourning cities like Noida, Ghaziabad, Gurgaon, Faridabad and Great Noida. Unstructured exploratory interviews and questionnaire have been used to collect data. Seven factor have been identified that influence the pricing strategy of Indian real estate with the help of exploratory factor analysis. These are location, competitors, contribution of private builders, regulatory, economic and promotion.

Introduction

The economic liberalization of 1991 marked an end of socialistic economic policies and started a period of transformation for the Indian real estate industry. From the old shabby and unorganized look it blossomed into a dynamic sector competing with international companies. This resulted in over evaluation of property prices and liquidation of speculative holding. The bubble did burst in 1998 and prices fall by 40-80 percent. However the real estate recovered in 2003 and prices spiraled thereafter.

Some of the reasons responsible for the changes that have taken place in the real estate were higher disposable incomes and aspiration levels, changes in culture norm of multi-family household, easier access to finance ,fiscal incentives on house loans, housing a priority of the Government's policies agenda, rapid urbanization -2.5% of the population per year; cities over 1mn to double from 35 in 2001 to 70 in 2005, favorable Demographics-population projected to increase until 2030 stabilizing at 1.5billion shortage of housing units expected to be around 20mn units, large market for low-medium housing 10mn new units required per year, residential development to follow commercial development more development in suburban area.

Literature of the paper

India has been going through a detailed structural transformation since 2006 because of factors like changes in economy, demography, urbanization, IT & ITES service and many more there is an upward shift in real estate sector.

Location of the property is very important factor influencing the price of the property. If the property is in the heart of the city the prices are high and if the property is in the outskirts the prices are less.

Prices are also influenced by value-addition activities like surface area covered, parking space, connectivity, security. Location convenience according to individual for example, if my office is near my new house people will be willing to pay high prices. This is the reason walk to job is another important criteria coming up especially in the cities like Delhi & Mumbai. Infrastructure facilities like electricity, school and hospitals.

Government policy is the another very important factor influencing the pricing strategy in Indian real estate. Infact, it is the most important factor influencing price. Ease of the home loans provided by banks has made it possible to buy expensive property and to purchase property at a young age. Deuche Bank report May8,2006, Enkay Research (17Dec,2008), IBEF and Ernst Market Overview December 2008. Contribution of private builders cannot be ignored in Indian real estate.

As often commented, competitors pricing strategy is a very important factor influencing price. Overall price are fixed by performance of different players. According to reliable sources, arrival of commonwealth games in 2010 is also an important factor for spiral rise in Indian real estate.

Since price is an economic phenomenon, it is also influenced by the forces of demand and supply in the market. Promotion is a very important factor influencing price of real estate Matheran Realty Private Limited Tanaji Marusal City, Nagarajan. The real estate scenario has changed a lot after introduction of metro rail. Metro rail has resulted in increase in price of Indian real estate Matheran Realty Private Limited Tanaji Marusal City.

Trends of Indian Real Estate

The real estate sector in India has come a long way from being dominated by a handful of player in the 1990s to an expanding base of developers, investors and global stakeholders buoyed by the growing construction industry in the country. The sector has been undergoing corporatization and professionalization and recognized as a key sector contributing to the economic development of the country.

After witnessing strong growth in 2001, the sector witnessed a slight correction in the year 2011.The downside for the sector was a weakening in demand due to the global economic scenario, a slowdown in the domestic economic conditions, escalation in input costs including interest costs and controversies over land acquisition. The current easing stance of RBI has rejuvenated sentiments in the sector. However economic condition con be termed challenging in the sector. However economic conditions can be inevitable and this will bring significant demand for real estate, and therefore the sector's growth prospects is optimistic.

The year 2012 has begun on a sluggish note for the Indian economy, with the GDP expanding by 5.3% in March 2012, the lowest in the commercial segment are offering terms to attract occupiers, real estate companies in the residential space are concentrating on building affordable homes, thereby widening their consumer spectrum.

Another factor that can help real estate companies tide over the difficult times would be the ability to judiciously use cash by liquidating exiting inventories. The Government has taken initiatives such as relaxation in external commercial borrowing norms, capping subsidies as a fraction of the GDP, new manufacturing and telecom policies to revive global investor confidence. There is a trend towards NRI increasing investment in the real estate. These steps are expected to generate positive results and assist in generating investor inflows. The government is committed to introduce FDI in multi brand retail, introduce changes in the existing SEZ policy to resurrect developer interest and expand the role of the private sector in infrastructure development. The real estate is a big revenue generating center and investment in real estate is a big assets.

Conclusion

Various factors have been identified to have influenced pricing strategy of Indian real estate. After analyzing them with the help of factor analysis it was concluded that inter-item correlation though not very high but is positive for all items. Some items also reveal negative correlation. The factors were subjected to Principal Component Analysis using SPSS 16.0. Finally seven factors comprising eighteen items, all having Eigen values of unit and above were extracted. Final 7 factors selected: location, contribution of builders, infrastructure competition, economic, regulatory and promotion. These seven factors cumulative provide for 56.258% variance in the process. Buyers favored economic factors (3.14) and infrastructural factors (3.12) as important influencers of price whereas developers considered competition and amount spend on promotion as important influencer of price. Levene's Test tested independent T-test significant for infrastructure. Buyers believe that infrastructural facilities have a significant influence on price and they can pay high but developers do not consider it so important. Henceforth a piece of advice for them is to use infrastructure as an important reason to justify increase in price.

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Stock Brokers And Other Intermediaries Working At Stock Exchange : An Overview

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Introduction

Stock Exchanges catering to the capital market requirements in India. However, most of the traded volumes are centered in Bombay Stock Exchange and National Stock Exchange. A Board of Members governs the stock exchanges and each stock exchange has members/brokers who are the intermediaries between the exchange and the investors. An exchange can have individual and institutional members. The brokers in an exchange act as dealers, market makers, or as agency brokers. Every stock exchange has developed its own market index to represent the movement of scrips in the market. The trading in the market is regulated by SEBI.

Stock market intermediaries link the various players in the field. Market intermediation helps in enabling a smooth functioning of the stock market. In a characteristic stock market, all the investors may not be present at any point of time. Also, all the investors need not necessarily be uniformly skilled at analyzing investment information. Especially when the market place is quite large and involves several players in terms of groups as well as numbers, intermediation becomes a requisite function. Stock market intermediaries, at present, perform the requisite services of order matching, investment advice, providing market liquidity, stock lending, retail broking, online trading, equity research, besides depository and other related services.

Objectives of the Study

- To study the working of stock exchange in India.
- To know the Stock Brokers and other Intermediaries.
- To Review the functions perform by Stock Brokers.
- To understand the depositories in India.

Analysis

The major market intermediaries, according to the functions that they perform in the market that are discussed in as follows are Brokers, Fund managers, Merchant bankers, Credit rating agencies, Regulatory bodies, Stock depositories, technology providers.

Stock brokers

Stock brokers are members of recognized stock exchanges who buy, sell or otherwise deal in securities. For a broker to deal in securities on a recognized stock exchange, it is obligatory that he should be registered as stock broker with SEBI. For registration one has to satisfy certain qualifications and meet conditions laid down by SEBI. While selecting a member of a stock exchange, the selection committee has also to consider professional and other educational qualifications, experience relevant to securities market, financial status and the performance of the applicant in the written test and interview. Mumbai, Kolkatta and Chennei stock exchanges have also admitted a few corporate and institutional members. Every stock broker has to preserve books of accounts and records for a minimum period of five years. Moreover, if required, he has to submit a copy of the audited balance sheet and profit and loss account of an accounting period to SEBI within six months of the close of the period.

Stock exchanges specify the daily, carry forward and renewal margins for ensuring that members always have adequate working capital. Margin requirement varies from time to time and also in different stock exchanges depending on market situation and other factors. An applicant who desires to act as a trading member has to have a net worth as may be specified by the stock exchange and the approved user and sales personnel of the trading member should have passed a certification programme approved by SEBI.

Sub-broker

The eligibility criteria for registration as a sub-broker in case of an individual is that the applicant should not be less than 21 years of age, has not been convicted of any offence involving fraud or dishonesty, passed the class 12th or equivalent examination from an institution recognised by the government. A sub-broker has to cooperate with his broker in comparing unmatched transactions. A sub-broker cannot knowingly and will fully deliver documents that constitute bad delivery. A sub-broker has to co-operate with the other contracting party for prompt replacement of documents that are declared as bad delivery. A sub-broker has to extend the fullest cooperation to the stockbroker in protecting the interests of their clients with respect to their rights to dividends, right or bonus shares, or any other rights attached to such securities. A sub-broker cannot fail to carry out stockbroking transactions with the broker or fail to meet business liabilities or show negligence in completing the settlement of transactions with them. A sub-broker has to execute an agreement or contract with affiliating brokers, which would clearly specify the rights and obligations of the sub-broker and the principal broker. A sub-broker cannot advertise business publicly unless permitted by the stock exchange. A sub-broker cannot resort to unfair means of inducing clients from other brokers.

A sub-broker cannot indulge in reprehensible conduct on the stock exchange nor wilfully obstruct the business of the stock exchange. Towards this purpose, compliance with the rules, by-laws, and regulations of the stock exchange has to be ensured. A sub-broker has to submit such books, special returns, correspondence, documents, and papers or any part thereof as may be required by SEBI or the concerned stock exchange. A sub-broker cannot neglect or fail or refuse to submit the required returns and not make any false or misleading statement on any returns submitted to SEBI or the stock exchanges. A sub-broker cannot indulge in manipulative, fraudulent, or deceptive transactions or schemes, or spread rumours with a view to distorting market equilibrium or making personal gains. A sub-broker cannot create a false market either singly or in concert with others or indulge in any act detrimental to public interest or which leads to interference with the fair and smooth functioning of the market mechanism of the stock exchanges.

Fund managers

Open ended investment companies which are commonly referred to as mutual fund management companies, usually have a continuous selling and redemption of their units. Fund managers sell the units of funds to investors at the Net Asset Value (NAV) and are also ready to purchase units from the investors at the net asset value. In case of a 'no-load' fund, the fund manager sells the units by mail to the investors. Since there are no other intermediaries, this type of fund does not have a sales commission. In terms of a loaded fund, the units are sold through a salesperson.

When investors purchase units, a part of the investor's equity is removed as the load at the beginning of the contract. This is called the front-end loading. By adding the commission at the time of sale of units by the investors, exit fees or back-end loading can also be charged. The commission to be paid to the salesperson is added to the net asset value. Apart from this, the fund managers also charge a management fee for the cost of operating the portfolios. These costs include expenses that will be borne by the fund manager such as brokerage fees, transfer costs, bookkeeping expenses, and fund managers salaries.

Merchant bankers

Merchant banking pertains to an individual or a banking house whose primary function is to facilitate the business process between a product and the financial requirements for its development. The merchant banker acts as a capital source whose primary activity is directed towards a business enterprise needing capital. The role of the merchant banker, who has the expertise to understand a particular transaction, has to arrange the necessary capital and ensure that the transaction would ultimately produce profits. Often, the merchant banker also becomes involved in the actual negotiations between a buyer and seller of capital in a transaction between corporate enterprises.

Credit rating agencies

Credit rating is a fee-based financial advisory service for the evaluation of a specific instrument, and is intended to grade different instruments in terms of the credit risk associated with the particular instrument. Rating is only an opinion expressed by an independent professional organisation following a detailed study of all the relevant factors. It does not amount to a recommendation to buy, hold, or sell an instrument as it does not take into consideration factors such as market prices, personal risk preferences of an investor, and other factors that influence an investment decision. Credit rating is beneficial to investors, companies, banks, and financial institutions.

Stock depositories

A major development in the Indian capital market has been the setting up of depositories. The objective of a depository is to provide for the maintenance / transfer of ownership records of securities in an electronic book entry form and enable scripless trading in stock exchange, thereby reducing settlement risk. SEBI has granted registration to two depositories, namely, the National Securities Depository Limited (NSDL) and the Central Deposiroty Services (India) Limited under the depository Act, 1996. The depository has to satisfy SEBI that it has a mechanism in place to ensure that the interest of the persons buying and selling securities held in the depository are adequately protected. The depository must register the transfer of a security in the name of the transferee only after the depository is satisfied that payment for such a transfer has been made.

Conclusion

Market intermediaries bridge the investment gap for the capital market participants, especially investors. Intermediary services that have become essential are the technology support services, stock depositories, auditing bodies, and credit rating agencies. Brokers, sub-brokers, investment advisors, merchant bankers, and investment banks are the other stock market intermediaries who have rendered valuable assistance to the capital market. However, with advances in technology, the role of the players such as sub-brokers have become redundant. The online access to market movements have made the marketplace more sophisticated and investors have to be knowledgeable to gain from the market.

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Kisan Credits Cards – A Innovative Mechanism In Agricultural Micro Financing

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Abstract

Farm credit is a strategic input. The Kisan Credit Card aims at providing timely and adequate credit to the farmers in a cost effective and flexible manner. In addition to credit for crop production, the scheme provides credit for ancillary activities. The scheme is being implemented in the country by all the banks from the year 1998-99. The present study paper was undertaken with specific objectives to analyze the growth in the number of Kisan Credit Card users and the adequacy of credit provided under KCC. In this paper secondary data is used on KCC issued and amount sanctioned which was collected from economic survey, RBI web site and NABARD website along with primary data relating to borrowing from randomly selected card holders farmers. The growth of Kisan Credit Cards users was positive throughout the country.

Keyword : facility, Adequacy of credit.

Introduction

The Kisan Credit Cards scheme is a landmark in the history of rural credit in India. The mechanism of credit cards has been one of the key products developed to expand the out rich of banks and simplify the credit delivery system. The scheme being implemented in the country by all the banks from the 1998-99. This has now been accepted as the only medium of short term credit for agriculture.

Objective of the Study

1. To study the features of Kisan Credit Cards scheme.
2. To study agency wise performance of Kisan Credit Cards.
3. To analyze state wise performance of co-operative and commercial banks in terms of issuing.

Features of KCC scheme

- Eligible farmers to be provided with a Kisan Credit Card and a pass book or card cum pass book.
- Revolving cash credit facility involving any number of drawals and repayments within the limit.
- Limit to be fixed on the basis of operational land holding, cropping pattern and scale of finance.
- Entire production credit needs for full year plus ancillary activities related to crop production to be considered while fixing limit.
- Sub limits may be fixed at the discretion of banks.
- Card valid for three years subject to annual review. As incentive for good performance, credit limit could be enhanced to take care of increasing in cost, changing in cropping pattern etc.
- Each drawal to be repaid within a maximum period of twelve months.
- Reschedulement of loan is permissible incase of damage to crops due to natural calamities.
- Security, margin, rate of interest etc. as per RBI norms.
- Withdrawals through slips/cheques accompanied by card and pass book.
- Operations may be through issuing branch and also other branches.

Distribution of Cards

The scheme is being implemented in all the States and Union Territories by all Commercial Banks, Regional Rural Banks, State Co-operative Banks, Central Co-operative Banks and Primary agricultural co-operative societies. The number of cards issued by all these banks from the year 1998-99 to 2011-12 are shown in table no.1.

Table No. 1

Distribution of Kisan Credit Cards (No. in Lacks)

No.	Year	Co-Op.Banks	RRB	Comm. Banks	Total
1.	1998-99	01.56 (19.90)	00.06 (00.76)	06.22 (79.34)	07.84 (100)
2.	1999-00	35.95 (70.02)	01.73 (03.37)	13.66 (26.61)	51.34 (100)
3.	2000-01	56.14 (64.89)	06.48 (07.49)	23.90 (27.62)	86.52 (100)
4.	2001-02	54.36 (58.19)	08.34 (08.93)	30.71 (32.88)	93.41 (100)
5.	2002-03	45.79 (55.55)	09.64 (11.70)	27.00 (32.75)	82.43 (100)
6.	2003-04	48.78 (52.75)	12.75 (13.79)	30.94 (33.46)	92.47 (100)
7.	2004-05	35.56 (36.74)	17.29 (17.86)	43.95 (45.40)	96.80 (100)
8.	2005-06	25.98 (32.43)	12.49 (15.59)	41.65 (51.98)	80.12 (100)
9.	2006-07	22.98 (26.98)	14.06 (16.52)	37.67 (50.42)	74.71 (100)
10.	2007-08	20.91 (28.64)	17.73 (24.29)	34.36 (47.07)	73.00 (100)
11.	2008-09	36.15 (42.69)	11.47 (13.55)	37.05 (43.76)	84.67 (100)
12.	2009-10	37.89 (40.44)	13.42 (14.33)	42.36 (45.23)	93.67 (100)
13.	2010-11	28.12 (27.66)	17.74 (17.45)	55.83 (54.89)	101.69 (100)
14.	2011-12	29.61 (25.18)	19.95 (16.96)	68.04 (57.86)	117.60 (100)

Source : 1. Govt. of India, Ministry of Finance, Economic Survey 2008-09 pg. 102.
2. RBI report on Trends and Progress of Banking in India, (2005-06 to 2011-12)
3. Samanatra Samir : Kisan Credit Cards A Study, Dept. of Economics NABARD, Mumbai.

Note : Figures in the bracket shows percentage.

When the scheme launched all the banks issued 7.84 lacks cards in the year 1998-99 and it was increased up to 96.80 lacks in the year 2004-05, and in 2011-12 it reached to 117.60 lacks. At the beginning the role of Cooperative banks in distribution was good rather than the RRB's and Commercial banks but commercial banks increased the contribution up to 58 % hence contribution of co-operative banks shows the decline percentage. In other hand RRB's contribution shows average rate 13 to 15 %.

Distribution of Loan

The loan amount sanctioned and distributed by all the banks under the KCC scheme was shown in table No. 2. In the year 1998-99 Rs. 2307 crores was distributed to the farmers. Year by year it was increased and reached up to 21785 crores in the 2003-04 and 91670 crores in the 2011-12. Commercial banks takes highest initiative in distribution of loan and their percentage was 60 % at the beginning of the scheme and goes up to 76 % in the year 2011-12. The contribution of Co-operative banks was too good at beginning but year wise it was decline and goes up to 13-14 %.Regional Rural Banks was not implemented the scheme satisfactory and their percentage in distribution of loan shown average percentage 11-13.

Table No. 2

Distribution of Loan under KCC scheme (Rs. in Crores)

No.	Year	Co-Op.Banks	RRB	Comm. Banks	Total
1.	1998-99	826 (39.63)	11 (00.53)	1473 (59.84)	2307 (100)
2.	1999-00	3606 (47.77)	405 (05.37)	3537 (46.86)	7548 (100)
3.	2000-01	9412 (57.30)	1400 (08.52)	5615 (34.18)	16427 (100)
4.	2001-02	15952 (61.69)	2382 (09.21)	7524 (29.10)	25858 (100)
5.	2002-03	15841 (60.28)	2955 (11.25)	7481 (28.47)	26277 (100)
6.	2003-04	9855 (45.24)	2599 (11.93)	9331 (42.83)	21785 (100)
7.	2004-05	15597 (45.63)	3833 (11.21)	14756 (43.16)	34186 (100)
8.	2005-06	20339 (42.73)	8483 (17.82)	18779 (39.45)	47601 (100)
9.	2006-07	13141 (28.12)	7373 (15.78)	26215 (56.10)	46729 (100)
10.	2007-08	20492 (41.00)	9074 (18.15)	20421 (40.85)	49987 (100)
11.	2008-09	13299 (35.94)	4383 (11.84)	19325 (52.22)	37007 (100)
12.	2009-10	14059 (32.87)	5396 (12.61)	23320 (54.52)	42775 (100)
13.	2010-11	10719 (14.76)	11468 (15.79)	50438 (69.45)	72625 (100)
14.	2011-12	10640 (11.61)	11520 (12.57)	69510 (75.82)	91670 (100)

Source : 1. Govt. of India, Ministry of Finance, Economic Survey 2008-09 pg. 102.
2. RBI report on Trends and Progress of Banking in India, (2005-06 to 2011-12)
3. Samanatra Samir : Kisan Credit Cards A Study, Dept. of Economics NABARD, Mumbai.

Note : Figures in the bracket shows percentage.

State wise progress

The KCC scheme was implemented in 28 States and 7 Union Territories. The number of cards distributed in all these States and Union Territories shows inequality. Most of the cards were issued in Uttar Pradesh after that Andhra Pradesh, Maharashtra, Tamilnadu, Madhya Pradesh, Orrisa and Karnataka. In all these states nearby 62 % cards was issued up to 2011-12 and only 38 % cards was issued in the remaining States and Union Territories. The amount sanctioned and distributed under the scheme shows the same position. From the 2005-06 to 2009-10 Rs. 942134 crores was distributed in all over India. Out of this 14 % amount distributed in the State of Uttar Pradesh while 12 % and 10 % amount distributed in the State of Maharashtra and Andhra Pradesh respectively. Up to 63 % amount was distributed in Uttar Pradesh, Maharashtra, Andhra Pradesh, Madhya Pradesh, Rajasthan, Karnataka and Tamilnadu. 37 % amount distributed in the remaining States and Union Territories from the year 2005-06 to 2009-10. This percentage clearly shows that the KCC scheme was successfully run in the economic developed states while it is not satisfactory in the State which was economic backward.

Limitation of the Scheme

Kisan Credit Card is one of the most innovative, widely accepted and highly appreciated scheme developed for micro financing in agricultural sector but it has some limitations as follows.

(1) Most of the farmers used the loan amount for unproductive activities, hence it is not utilize for agricultural purpose. (2) The farmers who have more land holding were taken initiative of the scheme rather than the marginal land holding farmers. (3) When the scheme was launched it is expected that 50 to 60 % share was to be borne by the RRB's in distribution of cards and loan but RRB was not fulfilled the share. (4) Sometimes bank authorities were not interested in proper implementation of the scheme. (5) Economically developed states takes the advantages of this scheme rather than the other states due to regional imbalance, inadequate information to the farmers, lack of basic needs etc.

Suggestions

- There is need to adopt measures to reduce paper work and time in sanctioning a loan under KCC scheme.
- Collateral crop insurance must be made mandatory.
- The private banks and insurance companies should be encouraged to participate in KCC.
- To reduce regional disparity in the performance of KCC scheme, the government should launch awareness generation programmes about the benefits of this scheme.
- The limit of the loan amount per account should be raised to attract more farmers.
- There is a need to strengthen the cooperative banking system in the rural areas by infusing more resources.
- The bank should concentrate more on poor performing zones in terms of coverage of holdings such as North zone, Eastern Zone and North-Eastern Zone.

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A Study Of Financial Performance Appraisal Of Loans And Advances Of Bombay Mercantile Co-Operative Bank Aurangabad

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Introduction

The history of co-operative movement in India is the history of the co-operative credit movement in India. Therefore, it is important to briefly look in to the history of co-operative movement in India to understand the emergence and development of co-operative credit and co-operative banking in India

The Indian co-operative movement like its counterparts in other countries of the world has been essentially a chilled of distress. It has emerged out of that turmoil and dissatisfaction which prevailed during the last quarter of the 19 the century and worked as a direct consequence of the industrial revolution. The cooperative movement was introduced in India with the chief object of making a break through in the stagnation of the lives of the poor classes, especially the vast majority of agriculturists who were groaning under the heavy weight of indebtedness. The indebtedness of the farmers increased day by day. Their belief in fate in fate strengthened. This fatalism coupled with illiteracy threw in to the deep ditch of stagnation. Dejection and disappointment. The advent of British rule in India marked further deterioration in the economic condition of the farmers.

Objectives of the study

- To study and analyze the performance of Loans and Advances of the Bombay Mercantile Co-operative Bank Ltd. Aurangabad.
- To study the performance of Recovery and N.P.A. status of the Bombay Mercantile Co-operative Bank Ltd. Aurangabad.
- To identify the important factors contributing to performance and suggest suitable measures.

Methodology of the study

The methodology adopted for the purpose of project study was collection of necessary data from both primary as well as secondary data. To collect five years necessary information from both primary and secondary sources.

Analysis of Loans and Advances

Bombay Mercantile Co-operative Bank Ltd. Aurangabad.provides short term loans to the bank business, Auto Gas kit provide Bombay Mercantile Co-operative Bank Ltd. Aurangabad. Bombay Mercantile Co-operative Bank Ltd. Aurangabad. Medium term loans are also given for the purpose of installation computer loans, personal loans.

Bombay Mercantile Co-operative Bank Ltd. Aurangabad. Long term loan is also given by the bank from its own resources for the purpose of tractors, Housing, Land purchase Loans purpose. Total outstanding short term, medium term, long term loan. 2000-2001 is 121527.2 lakhs in the year 2004-2005 is 75631.19 lakhs. Total 2000-2001 is 121527.2 lacks in the year 2004-2005 is 75631.61 lacks.

Performance of Recovery

The Performance of recovery was increased due to strong supervision and follow by the bank . In addition to that, the bank has implemented Development Action Plan , as well as preparation of the list of the defaulters. This year, the performance of the recovery ranged the higher rank amongst the last years.

The performance of the recovery in the last years was significantly good, where the recovery of short term were not so sound but, in medium term and along term recovery was sound . this leads to the more volume of transactions resulting in increased confidence of members in the bank. Furthermore , it improves the moral of depositors and awareness among the members of the Societies As against this , poor recovery of loans leads to adverse effect on the function of the bank . It resulting increased over dues at different levels of co-operative credit institutions, limiting their borrowing capacity from the higher financing agencies.

Recovery Machinery

The Menace of old NPAs continued to be a drag on banks performance . the drive for recovery was strengthened by creation of a task force under a senior executive at head office . Similar Task-force were organized in each Regional office and in each Branch by deputing staff exclusively for recovery work particularly focusing on the account classified as NPA.

The bank has also constituted a settlement Advisory committee as per the Reserve Bank of Indias directive constituted of Mr. Justice A.S. quraishi as chairman and shri I.A. Khan IAS (Retd.) financial commission J&K And shri S.D. Singh IAS (Retd) Financial commissioner J&K as members .All out efforts are being made to improve upon the recovery performance and bring down the level of NPAs.

NPA CONCEPT

Definition of NPAS: NON-Performing Assets means an asset or account of a borrower, which has been classified by a bank or financial institutions as substandard, doubtful or loss asset in accordance with the direction of guideline relating to asset classification issued by RBI. An NPA is a loan or a advance where.

1. Interest and installment of principal remain overdue for a period of more than 90 days in respect of term loan.
2. The account remain "out of order" for a period more than 90 days in respect of an overdraft\cash credit.
3. The bill remain "overdue" for a period more than90 days in the case of bills purchased and discounted.
4. interest and \ or installment of principal remain overdue for two harvest seasons but for a period not exceeding two half years in the case of an advance granted for agricultural purpose and.
5. Any amount to be received remains overdue for a period of more than 90 days in respect of 0other accounts.

Out Of Order

An account should be treated as "out of Order" if the outstanding balance remains continuously in excess of the sanctioned limit drawing power. In case where the outstanding balance in the principal operating account is less than the sanctioned limit\drawing power, but there is no credits continuously for six months as on the date of balance sheet or credits are not enough to cover the interest debited during the same period, these account should be treated as "out of order"

Overdue

Any amount to the bank under any credit facility is overdue if it is not paid on the due date fixed by the bank.

Rule of NPAS

The criteria of classification for non performing Assets for the purpose of income recognition and provisioning are.

Sub Standard Asets

Sub standard assets are those, which are non performing for a period 12 months not exceeding two years.Also, in case where the loan repayment is rescheduled RBI has asked bank to recognize the loans as substandard at least or one year.

Doubtful Assets

Loan which have remained non performing for a period exceeding 12 months and which are not considered as loss assets. A major portion of assets under this category relate to sick companies referred to the Board for industrial an financial Reconstruction (BIFR) and awaiting finalization of rehabilitation packages.

Performances Of N.P.A.

The period under study marked the sluggish economic activity. The circumstances led to increase in the liquid funds with the banks. The sluggish, recessionary industrial trend created financial strain for industries, traders as well as businessmen.

Consequently during the period, the projected interest collection and loan recoveries could not be maintained by the banks. The resultant increases in 'Non-performing Assets' (NPA) amounts forced banks to make extra provisions which eroded profits. It is a little consolation that all the banks suffered similarly. Increased competition and lower demand for funds by way of loans initiated the process of lowering interest rates.

It is observed from the above table that the provision of overdue made by during the study period has increased from 2005-2006 Rs. 541.19 lacks and Rs. 370.67 lacks in 2007-2008 respectively.

As recommended by Narsimhan Committee (1991) the interest rate of disbursed loans which is out of order over 180 days and past dues over 180 days of bill discounting. These loan accounts should be called 'Non-Performing Assets) (NPA).

As mentioned earlier, the sluggish recessionary industrial trend created financial strain for industrial, traders as well as businessmen, increased. Competition and lower demand for funds has made difficulties in loan recoveries and interest collection of loans. So, Reserve Bank of India made compulsion of provision about "Non-Performing Assets (NPA) .

Effectiveness of Recovery

The Bank Management has adopted the following methods for arresting Non performing Assets.

1. Arresting fresh inflow of NPA through proper credit Appraisal and credit monitoring .
2. Setting up Recovery cells and pursing vigorously for recovery in the existing NPA through the Task-Force at Regional offices / Branches.
3. Posting skilled and trained personal at the Branches /Zones having sizeable NPA.
4. Periodic meeting with NPA borrowers.
5. Framing a comprehensive Recovery Policy for Hardcore NPA. Accounts.
6. Analytical and critical study of sick borrower units for rehabilitation.
7. The bank has prepared the list of the defaulters.

Conclusion

The analysis of the source of funds and the loans and advances performance of the bank combined with the historical profile of the bank clearly demonstrates the strength and the commitment. The business indicators of the bank starting from the own fund to the total funds and the percentage of recovery non performing assets clearly shows the performances of the Bombay Mercantile Co-operative bank Ltd. Aurangabad.

With the kind of the Board the management and the committed work force from the senior management to the level management, the bank is expected to improve their performance further to reach newer highest in the coming days and play the critical role in the development of the Economy of nation.

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Ethical Issues In Marketing Practices

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Introduction

The word **'Ethics is derived from the Greek word 'Ethos'**, which means the character. Generally, ethic means human conduct which can be good or bad, moral or immoral. Ethics or moral philosophy, is that branch of philosophy which has morality as its subject matter.

Objective

1) To know the Ethics
2) To know the business ethics in marketing.
3) To know the Ethical issues in marketing.
4) To know the Importance of Marketing ethics.
5) To know how to improve marketing practice by using various ethics.

Research Methodology

Methodology used for collection of data for research to collect the required primary data pertaining to the study the following techniques of data collection used. Personal visit, Interview. To collect the required secondary data pertaining to the study the following techniques of data collection used Books, Magazines, News papers etc

Ethics broadly speaking it asks the question what should we do? Obviously the answer to **'what'** is determined and affected by **'we'** should and do. We refers not to the disinterested or unconcerned observer, or a passive, or unaffected and reluctant individual or a person who is weak-willed, biased, self centered or irrational or even the person who is not placed or positioned in the critical place of action. It refers necessarily to the rational and responsible person who finds himself obliged and constrained to act by virtue of the position or office he occupies and the function he is called upon to discharge. **'Should'** indicates that it is a normative act. It is not what a person does or can do important, but what he **'Ought'** to do, that is the criterion of the act. What good or bad, what right or wrong, or what wise or unwise, would result from his act that is the crux of the matter. The third word **'do'** is the indicator of the character of the doer. For character is knowledge transmuted into action. It is only by **'doing'** that ones character is developed, that ones character is isolated that ones character is revealed and defined character has an inseparable bearing on action. Thus the **'what'** in the question. What should we do? Has clearly not many and varied answers, although limited and defined by the answers to the position of the person called upon to act, his awareness of and responsible attitude towards the act, and his behavioral response determined by his character.

"Ethics is concerned with norms for the conduct of people as members of society"

Every human being is engaged in some work or the other, striving to satisfy his basic requirements, comforts and luxuries. Every man engages himself in some economic activity, willingly or unwillingly, so as to earn enough money to by essential commodities and to improve his standard of living. Business is a very wide term. It includes all economic activities from production to distribution of goods & services. Thus, it includes industry, trade and other activities like banking, insurance & marketing. Any person who is investing his money, time and energy in any activity is engaged in business occupation.

"Business may be defined as human activity directed towards producing or acquiring wealth through buying & selling goods".

We need to talk about ethics in political, government, social, environmental, cultural and business.

Business ethics refers to the system of moral principles and rules of conduct applied to business. The business should be conducted according to certain self recognized moral standards. The business which will not be helpful to the owner himself and to the society should not be started.

"Every individual and organ in the society should abide by certain moral code and that there is no separate ethics of the business."

Marketing is a specialized business function, which promotes trade and employment by assessing consumer needs and initiating research and development to meet them. It co-ordinates the resources of production and distribution of goods and services and determines and directs the nature and scale of the total efforts required to sale maximum production to the ultimate use. Thus,

"Moral principles that define right and wrong behaviors in marketing can be regarded as Marketing Ethics".

It is essential to understand and be aware of the ethical issues that may crop up in marketing. An ethical issue is an identifiable problem, situation or opportunity requiring an individual or organization to choose from among several actions that must be evaluated as right or wrong. When does an ethical issue arise in marketing? An activity that causes consumers to feel deceived, manipulated or cheated, a marketing ethical issue arises, regardless of the legality of the activity. For Example, an internet service provider advertises in leading dailies about uninterrupted surfing throughout the day. The customer pays for internet hours but fails to get connected on most occasion or gets disconnected regularly. Phone calls to customer support service repeat the same solution that does not work. When customers buy the product, they expect at least the promised service. Such questionable activities lead to ethical issues.

In Marketing, ethical issues are related to

(1) Ethics in Product (2) Ethics in Promotion

(3)Ethics in Price (4) Ethics in Distribution

1) Ethics in Product : Product related ethical issues arise when marketers fail to disclose risks associated with the product or information regarding the function, value or use of the product. A manufacturer of office cushion chairs talks about the looks sturdiness etc. but fails to mention that the chairs are not manufactured as per ergonomics. Due to long usage, the users get back-pain. Such instances abound while manufacturers can take shelter under 'buyer's beware' approach legally, they are accountable ethically for the 'unasked' for troubles created by the product. Products Ethics related to (Quality, Features, Brand Name, Trade Mark, Packing Size, Guarantee, Warranty, After and Before Sales Service, Style, etc.)

Unethical Marketing Behaviour In Product

Product Safety: Consumers buy products believing that they would not harm or injure them. Consumers lack technical knowledge to judge many of the sophisticated products and it becomes the responsibility of the marketer to ensure consumer safety.

Product quality: The manufacturer and marketer should takeresponsibility to ensure that the quality of the product measures up to the claim made about it and meets reasonable consumer expectations.

Spurious (Fake) Products: Several spurious drugs meant for cold, cough, body ache, fever are available in the market. The main ingredients of such products are sugar, wheat and chalkpowder which do not have any negative effects on human beings. Illegal traders sell such products as they get attractive discounts.

Inadequate warranties: Warranties with insufficient time or part-coverage.

Environmental Pollution: Manufacture of non-biodegradable plastics products.

Ethics in Promotion : Promotion provides a variety of situations that can create ethical issues. For example, false and misleading advertising deceptive sales promotions, tactics or publicity efforts may create ethical perplexing situation. The use of bribery in personal selling situations is an ethical issue. It endanger trust and fairness. Promotion ethical issues related to (Advertising, Personal Selling, Publicity, Sales Promotion, Public Relation).

Unethical Marketing Behaviour In Promotion

- Tasteless Advertising:
- Exaggerated (overstated) Claims:
- Inappropriate Targeting:
- Telemarketing

Ethics in Price : Pricing issues related to price fixing, predatory pricing and failure to disclose the full price etc. might constitute unethical practices. The pharmaceutical firms are normally accused of such practices. The general complaint is that the life saving drugs are sometimes priced more. This alleged practices provoke ethical irritations. In the case of readymade dresses, retailers stamping their own prices with the help of rubber stamp leave perennial doubts in the minds of the buyers as regards the correct price. Price ethical issues related to Price Level, Discount, Allowances, Rebates, Payment terms, Credit terms etc.

Unethical Marketing Behaviour In Price

a) Higher Price: Many consumers feel that higher prices mean better products and manufacturers increase the price of the product to show it as a superior product. The price may be higher compared to products extra quality.

b) Price Fixing: is another unethical marketing practice followed by some companies. It is a agreement between two or more firms on the price they will charge for a product or service or bidding the lowest price on a contract.

c) Predatory (Greedy) Pricing: Covers the practice of selling at a very low price or below the cost of production so as to eliminate competition.

Ethics in Distribution : In distribution, middlemen or intermediaries facilitate the flow of products from producer to ultimate consumer. But well-known companies also providing inordinate commissions to middlemen to push their goods and make the customer pay very high prices can fall in the category of unethical practices. Sometimes, the monopoly goods manufacturer resorting to arm twisting the retailer and the wholesaler by 'dumping' his product in excess of requirement can lead to ethical perplexing situation. Knowingly, allocating inferior goods or seconds to rural markets but charging the same price exploiting the innocence of rural customers can be another dimension of unethical practices. But the ethics in marketing is basically in ones mind. If one considers marketing as a great service and tries to be sincere to oneself, ethics will follow automatically. . Promotion ethical issues related to 1.Distribution Channels-Wholesalers, Retailers, Mercantile Agents 2. Physical Distribution- Transport, Warehousing, Inventory.

Unethical Marketing Behaviour In Distribution

a) Exclusive dealing refers to manufacturers insisting on its distributors to sell only its products and not to deal in competitors products.

b) Tying contracts require distributor or dealers to purchase unwanted or slow moving products as a condition for obtaining fast moving brands.

c) Full line forcing: Here the buyer is forced to purchase all the products when only part of the line is required by the buyer.

d) Fraudulent (Fake) sales: Sales through adopting fraudulent means.

e) Direct Marketing: Deceptive, misleading product sizes and performance claims.

Importance of Marketing Ethics :

To Businessmen :

1) Creation of good social image
2) Support and co-operation in staff & workers
3) Expansion of Marketing function
4) Fair marketing practices.

To the Consumers & Society :

1) Protection to consumers
2) Avoidance of Exploitation
3) No need of protection from External Agencies
4) Satisfaction to consumers.

Suggestions for improve marketing practice by using various ethics in

Increase confidence of consumers – Ethics are required to increase the confidence of the consumers regarding price, quality, promotion distribution and reliability of the goods supplied.

Protect to consumers – It is necessary to protect the consumers from business malpractice.

Protect consumer rights – Ethics are required to safeguard the interest of consumers.

Create good image of marketing – Ethics are needed to create a good image of the marketing amongst the people.

Human needs and their satisfaction

Marketing provides various types of services to the society and gets profit out of it. But making profit should not be the basic aim of the marketing, the main objective of the marketing should be the satisfaction of consumer needs.

Conclusion

Ethics has a very important role place in business. It corresponds to basic human need. The reach of business ethics as vast as life itself. Business draws its life blood and meaningfulness from social life.

Marketing is a very important function in business. Marketing has vast scope for temptations and allurements to change direction away from the straight and narrow. Marketing and Ethics are like the two pans of sensitive balance. An ethical issue is an identifiable problem situation or opportunity requiring an individual or organization to choose from among several actions that must be evaluated as right or wrong. When customers buy the product, they expect at least the promised service such questionable activities lead to ethical issues are related to product, promotion, price & distribution. And importance of marketing ethics to businessmen & consumer or society and using various ethics for marketing improvement like increase confidence of consumers, protect to consumers, create good image of marketing, protect consumer rights, human needs & their satisfaction.

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ELSS Need Of Refurbishing

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Abstract

The main purpose of investing in Equity Linked Saving Scheme (ELSS) most investors is tax saving. ELSS is those equity mutual fund schemes that help the investors to save taxes as well as generate decent returns. Though there is a plethora of tax-saving instruments available at the disposal of the investors, none of them is as attractive as the ELSS. Also finding place in the list of tax saving instruments are National Savings Certificates (NSC), Public Provident Fund (PPF), Bank Deposit and Insurance Policies among others. Returns offered by all these schemes are commensurate to the risks attached to these instruments. ELSS was introduced to promote investments in equity markets by giving tax concessions to the investors. In the present paper an effort is made to study benefit of ELSS as an investment and tax saving instrument and also a comparison is made with other tax saving instruments.

Keywords

ELSS, Tax saving, Mutual funds schemes, Tax saving funds, investments, saving

Introduction

When Indian Mutual Fund Industry's assets under management is close to an all time high of Rs. Rs 8.34 lakh crore for the perioding ended October, 2013. The assets under management (AUM) of Equity linked Saving Scheme (ELSS) is touching a four year low, at a little over Rs. 20,000 crore. ELSS was introduced in India in 1992 to promote the equity cult among retail investors. Today, an investment upto Rs 1 lakh in ELSS funds by eligible investors qualifies for tax deduction under Section 80C of Income Tax Act. An investment of Rs 1 lakh in ELSS funds can help an investor save up to Rs 30,900 from his/her total tax liability. Since the launch of first ELSS fund by SBI Mutual Fund in March 1993, at present there are about 40 ELSS schemes available to retail investors from all major fund-houses. There are several reasons why equity linked savings schemes (ELSS) should be in everybody's tax plan. They have the potential to give the highest returns among tax-saving options, there's no tax on the gains, these investments are easy to understand and even easier to buy and the lock-in period is the shortest for any Section 80C option. But, despite this advantages. ELSS has failed to cut ice with retail investors, which is evident from the fact that, despite beings in existence for more than 20 years the total AMU stands at low of Rs. 21,395 as on September, 2013. On the other hand, tax rebates on principal and interest repayment of housing loan have given a fillip to real estate sector. Or Section 80 D allowing a rebate on medical insurance, has driven that segment, as more and more people as opted for medical insurance to avail of tax breaks.

ELSS Schemes

Equity Linked savings scheme (ELSS) are mutual fund schemes which invest a minimum 65 percent in equity and are notified to avail tax benefits under Section 80C up to Rs 1 lakh in a given financial year. The ELSS has a 3-year lock-in period, which is the least among the available investment instruments that qualify for tax savings option under 80C. ELSS cannot redeem or switch to another option during this period. Investments up to Rs 1 lakh are eligible for deduction from your total income. Thus, you can save upto 30,900 in taxes by investing one lakh in ELSS. However, only retail investors, HUFs and associations of persons are allowed to invest in these schemes. Like any Mutual Funds equity scheme, ELSS offers both dividend and growth options. The growth option is preferable for long-term wealth accumulation, as any incremental amount will get reinvested and compounded. Those in need of cash or pensioners can opt for the regular payouts or the dividend option. Unlike Other equity mutual funds schemes which require minimum investments of Rs. 5000, one can invest in ELSS with as low as Rs. 500 by means of Systematic Investment Plan (SIP). The returns from ELSS depend on the stock market and hence tend to be volatile, but then they are generally higher than the returns generated from traditional tax saver instruments. All the return from ELSS schemes is tax free.

Challenges before the ELSS

ELSS as to compete with other assets like PPF, NSC, Insurance, 5 years bank deposit and principle repayment on housing loan and so on. During last few years, the real estate sector has been booming, as people aspiration for a better standards of living ensured that more people brought houses on loans. Payments to instrument are commitments for many years and once these commitments are made they have to continue for many years. The investments in PPF and NSC are guaranteed by the Government of India and thus offer no risk to the investor and fixed returns. However, the lock-in period is relatively longer. With home loan and other investment like insurance premium and PPF exhausting the one lakh maximum permissible deduction available under section 80C, not much is left for ELSS to claim as tax deduction. For people with limited income do not consider ELSS for tax saving purpose. While for those in the higher income bracket there are provision like 80C, which is consumed by instruments such as PPF, insurance premium and housing loans.

One of the major factors contributing for the poor response to ELSS is that it could not create the quantum of wealth investors were looking for in the last few years. According to Crisil- AMFI Fund index performance the one year return is – 2.63 while that of three year return of – 2.30. (Return as on September 30, 2013). This shows that investors are losing capital as against the ability of saving taxes. On the other hand other instruments like PPF give an assured return of 8.8% and bank deposit with a five year lock in period as given return in excess of seven percent. This shows that there is not enough return to justify the risk of investment in ELSS.

"Investors, who invested in ELSS three (2010) years ago, are disappointed with lower returns. The abysmal performance of these ELSS schemes in the past three years and the current higher level of the market and weak economic fundamentals are cited as the reasons for investor disinterest. Clearly, they are not keen to invest in tax-saving mutual funds again and they prefer to invest in either PPF or tax saving bank deposits. According to Jayesh Shroff of SBI mutual funds, who manages India largest ELSS scheme "SBI magnum Tax gain which as AMU of Rs. 3866 crore quoted in Business India saying about psyche of the Investor: "Investor wants assured returns during volatile times and are comfortable with volatile returns during assured times. Since Indian market is facing a volatile time. Under this circumstance investor is more comfortable with fixed return instruments than market- linked instruments. It is also true that in last few years, house- hold savings to financial saving as taken a beating. Therefore, ELSS mutual funds cannot be an exception.

Most salaried investors are running around to make last minute investments to save income tax and provide the proof of investments to the employer. This is because most companies ask their employees to submit the proof of their investments in January to avoid deduction of higher taxes from the salary. Last minute tax planning is an age old practice that forces tax payers to make hasty, and often wrong, decisions. In a hast to save taxes investors end up parking money in wrong products in the process, which may have an adverse impact on their cash flows and return prospects. It is not surprising that the insurance industry do most of its business during the tax- saving season between January and March every year. As, Insurance is one of the most popular tax saving instruments in section 80C. The philosophy of healthy investment has two essential elements: returns and associated tax savings. While returns depend on the risk appetite, tax savings are determined by various parameters such as income level of the tax payer, income tax slabs, etc

Investment should be based on asset allocation. However, experts frown upon such "random" tax-planning exercise. They argue that investors should consider tax planning as part of their overall financial plan and choose products accordingly. They say picking tax planning instruments on the basis of past performance alone won't help one reach the right conclusions. Make a financial plan based on your earnings, liabilities and goals. This financial plan will tell you how much money would go into various assets like equity, debt or gold. Some part of the equity portion of this plan could go into ELSS. In fact, stock market pundits used to claim that ELSS has become the vehicle for most first-timers in equity investments. This is because most financial experts used to advocate investing whatever left after the compulsory contribution to employee provident fund (EPF) and term insurance premium in tax-planning mutual fund schemes.

According to Value Research, a mutual fund tracking entity, ELSS funds, as a category, have given a no returns in the last three years. With the tax planning season beginning in December, most companies ask their employees to submit investment declarations around this time. "Equity investments should not be seen as fixed deposits that yield 15-18 % returns. There is always the possibility of a downside. If an investor can't take the risk, he should stick to fixed deposits," says Dhirendra Kumar, CEO of Value Research in quoted in Economic times

But looking at returns on a randomly chosen date and term is not the best way to assess an investment. Investors must accept that equity investments are prone to market risks. The stock markets have been on a rollercoaster ride in the past three years, hitting all time highs and multi-year lows during that period. Looking back three years is perhaps looking at the worst period for the stock markets in decades. Share market experts points out that in October 2008, almost all equity funds including ELSS funds were in the red on three-year and five-year returns. But investors who turned away from equities at that time forfeited a golden opportunity to earn handsome returns

And why look at only three-year returns? Why not the past one year during which the same fund shot up by almost 10%. Or the past 10 years, during which the category churned out almost 23.11% (Crisil- AMFI ELSS index as on 30 June, 2013) annualized returns. Rs 10,000 invested ten years ago are now worth about Rs 80,000. "ELSS funds should be just a subset of your total investments. Use them to add equity exposure to your portfolio.

It true that investors have lost money because they invested lump sum at a time when the bull phase was peaking. On the other hand, the 2008-9 downturns were a windfall for the disciplined investor who put in small amounts every month. The volatility does not work against you but for you. As the high SIP returns from these funds show, you can actually gain from downturns because you get to buy the same funds at lower prices.

The moment equity market starts doing well, investor's interest in ELSS will come back. Right now, the Indian equity market is offering some excellent value propositions. And, the next three years should see equity market doing well. This should reflect on ELSS also. The investors could benefit from both the tax saving as well as good capital appreciation also. Going by the past experience the investor enter the equity market only when the assets as appreciate substantially and not when assets are available at a cheap valuations, which is the case at the present moment. It makes the sense for investor to invest in ELSS if he has not exhausted one's 80C limit in the financial year.

Conclusion

ELSS funds are one of the best avenues to save tax under Section 80C. This is because along with the tax deduction, the investor also gets the potential upside of investing in the equity markets. Also, no tax is levied on the long-term capital gains from these funds. Moreover, compared to other tax saving options, ELSS has the shortest lock-in period of three years. ELSS is only tax saving vehicle having substantial equity exposure and hence potential to earn higher returns. Equity as an asset class has given a higher return over the long term. ELSS has the potential to give substantially higher returns as compared to that from PPF or NSC over the long-term. The returns from PPF or NSC are in the range of 8% and at times may not beat the inflation. Returns from ELSS could fluctuate depending upon the performance of the equity market and also the stock selection criteria of the particular fund manager. Returns from ELSS could even be negative in the short to medium term. Investment in ELSS fund should done with a view of 5-10 years. It is true that equity investment generate good return over a longer time period, that is what the investor should take while invest in ELSS.

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Service Marketing In India

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Introduction

Service sector of India is one of the largest and fastest growing sectors in the competitive environment of business. A comparison of the services performance of the top 15 countries for the 11 year period from 2001 to 2011 shows that the increase in share of services in GDP is the highest for India with 8.1 percentage points. These 15 top countries include major developed countries along with Brazil, Russia, India and China. While China's highest services compound annual growth rate (CAGR) stood at 11.1%, India's very high CAGR of 9.2% was second highest and also accompanied by highest change in its share. This shows India is dominated by service sector. The share of services in India's GDP at factor cost (at current prices) increased from 33.3% (1950-1951) to 56.5% in 2012-13, as per advance estimates. Including construction, this would increase to 64.8%. With 18%, trade, hotels and restaurants are the largest contributors to GDP among the various sub sectors. This is followed by financing, insurance, real estate and business services with 16.6% share. Community, social, and personal services with 14% share stand in the third place.

India is second largest populated country among the world. It is considered '**Youngster**', a country with highest number of youth from the age group of 15-35. As such the quality of the educated population would play an important role in the development of country. India today is the world's third most powerful in economic terms. According to Ernst & Young's 2012 India attractiveness survey, India's rapidly rising middle class should grow from more than 160 million people in 2011 to 267 million people in 2016, and the availability of low labour cost and inexpensive manufacturing capabilities as a key attraction for the India as new market especially service market.

Significance of Study

The purpose of this paper is to ascertain the vital role of India as new service market in the world**.** Indian economy is the one of the fastest growing major economy and second highest populated country in the world, which are tempted all business organisation specially foreign companies towards India for expansion and diversification of their business as well as grab the opportunity in Indian service market in various fields such as Hospitality sector, Tourism sector, Transportation, Communication, Trading, Finances, Real Estate and Health oriented facilities. Indian service market is essential factor for the fastest and rapid growth of Indian Economy.

Research Methodology

The study was based on secondary data's the information had been collected from various reports of government reports, magazine, books, journals, research papers and various articles in leading newspaper and related webs sites.

OBJECTIVES

The objective of study based on -

(a) To understand the concept of service marketing.
(b) To examine the various types service marketing.
(c) To know the role of service market for India as emerging in the world market.
(d) To study the challenges in front of Indian service market.
(e) To know the India's present economic status and future prospect in especially service sector.

Meaning of Service Marketing.

Service marketing is a branch of marketing that involves distribution of fast moving consumer goods and durable goods. This field refers to both businesses to consumer as well as business to business services. It is new phenomenon and gains importance at the end of 20th century. Now present scenario it provides the largest share of 60% of country's GDP, and 35% of total employment, more than 25% total trade and more than 50% foreign direct investment comes in India in service sector only. Service marketing is part of marketing which includes marketing of tangible and intangible things.. It is concentrated all efforts to the marketing of both business to consumer (B2C) and business to business (B2B) services. Common examples of service marketing are found Hospitality sector, Tourism sector, Transportation, Communication, Trading, Finances, Real Estate and Health oriented facilities all types of other service.

Definition of service marketing

The definition of Service Marketing has been given by Philip Kotler and P.N.Bloom "A service is any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything."

There are several characteristic of service marketing such as Perishability, Intangibility, Inseparability, Heterogeneity, Lack of ownership, etc. It is based on several principles such as Product, Pricing, Place, Promotion, People, Process, and Physical Evidence.

Service definition

The generic clear-cut, complete and concise definition of the service term reads as follows:

A service is a set of singular and perishable benefits

- delivered from the accountable service provider, mostly in close coaction with his service suppliers,
- generated by functions of technical systems and/or by distinct activities of individuals, respectively,
- commissioned according to the needs of his service consumers by the service customer from the accountable service provider,
- rendered individually to an authorized service consumer at his/her dedicated trigger,
- And, finally, consumed and utilized by the triggering service consumer for executing his/her upcoming business or private activity.

The various types of service marketing

Service marketing offers various business opportunities to the investors. They have the capacity to generate substantial employment opportunities in the economy as well as increase its per capita income. Without them, Indian economy would not have acquired a strong and dominating place on the world platform. Thus, service sector is considered to be an integral part of the economy and includes various sub-sectors spread all across the country. Service sector is emerging market activities in the recent year and achieved highest growth in the scenario of crisis. It consists of various activities in India such as follow :

Trade, Hotels and Restaurants, Railways, Other Transport & Storage, Communication (Post, Telecom), Banking, Insurance, Dwellings, Real Estate, Business Services, Public Administration; Defence, Personal Services, Community Services, Other Services.

These are the several sector of service marketing which are working very efficiently and contribute to the Indian GDP, and also under the policy of liberalisation, Privatisation and globalisation Service marketing played very important role for Indian market..

The role of service marketing for emerging India

To know the India's present economic status and future prospect in especially service sector such as Hospitality sector, Tourism sector, Transportation, Communication, Trading, Finances, Real Estate and Health oriented facilities, etc.

The following table shows the sectarian contribution of various sectors of GDP.

GDP by Activity & Expenditure (% YoY) - as on 31st May, 2013

	Wts	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Agriculture	**13.7**	**4.2**	**5.8**	**0.1**	**0.81**	**7.94**	**3.65**	**1.91**
Industry	**27.0**	**12.2**	**9.7**	**4.4**	**9.20**	**9.20**	**3.50**	**2.10**
Manufacturing	15.2	14.3	10.3	4.3	11.30	9.73	2.69	1.05
Mining	2.0	7.5	3.7	2.1	5.89	4.92	-0.63	-0.58
Electricity	1.9	9.3	8.3	4.6	6.22	5.16	6.51	4.15
Construction	7.9	10.3	10.8	5.3	6.65	10.23	5.56	4.33
Services	**59.3**	**10.1**	**10.3**	**10.0**	**10.50**	**9.80**	**8.20**	**7.10**
Trade hotels comm	27.5	11.6	10.9	7.5	10.39	12.34	7.03	5.20
Financing, insurance	18.7	14.0	12.0	12.0	9.70	10.07	11.67	8.63
Community services	13.0	2.8	6.9	12.5	11.73	4.27	6.01	6.80
GDP at factor cost	**100.0**	**9.60**	**9.30**	**6.70**	**8.59**	**9.32**	**6.21**	**4.99**

Source: - CSO's Advance Estimate/Q4 Estimates. Source: CSO; 31st May, 2013
Data book for DCH; 18th October, 2013

From the above table it is clarified under the global financial crisis, Indian Service marketing is one of the fastest growing sector and played crucial role for the economic development. It is 59.3% and 13.7%, 27.0% respectively agriculture and Industry sector. In the year 2012-13 GDP by Activity & Expenditure 7.10% goes to service marketing and 1.91%, 2.10% respectively agriculture and Industry sector. Even also Trade, hotels, communication and Financing, insurance, Community services, etc. are increased progressive manner.

The challenges in front of Indian service market

There are various challenges which are directly affected Growth of Service Marketing such as Problem of intangibility, inseparability, transfer ship of ownership, outsourcing as well as some of the like Inflation, Poor infrastructure, improper utilisation resources, transport and communication problem, etc. These several problems are slowdown the pace of Indian service marketing and could not able to optimum utilisation of resources for the betterment of human being and economy welfare of country and as we cannot reach expected growth rate of service marketing which is

Future Of Service Sector In India

India as emerging marketing in the world and service marketing future would be as follow

Our outsourcing service marketing industry grows internationally very rapidly and fast. The services sector, which includes banking, insurance, outsourcing, R&D, courier and technology testing, had received FDI (foreign direct investment) worth USD 2.28 billion in the same period last year, according to the data of the Department of Industrial Policy and Promotion (DIPP).

The Indian economic growth has slowed down to 6.9% in 2012. Nevertheless, it is projected to grow at 7.3% in 2013, which is higher than the average projected growth rate for emerging and developing economies (6%).17 with the rise in GDP and per capita income, the number of people below the poverty line has declined while those in high and middle-income group have increased. McKinsey & Company (2007) forecast that if the Indian economy grows at the rate of 7.3% between 2005 and 2025, then by 2025, 583 million Indians will be in the middle class, which is equivalent to the current population of Australia. The share of middle class in the total population will increase from around 5% in 2005 to 41% in 2025. They will account for 59% of the country's total consumption by 2025.

Commerce and Industry Minister, Mr Anand Sharma, has proposed establishing a Services Competitiveness Council, on a similar framework to the National Manufacturing Competitiveness Council (NMCC). The minister has highlighted services trade as an important element to economic growth, sustainable development and employment generation.

Also, the government is planning an annual survey for the services sector, which will give data on the industry's detailed performance.

The Indian food service industry is expected to grow to Rs 408,040 (US$ 65.56 billion) crore by 2018 at a compound annual growth rate (CAGR) of 11 per cent, as per a survey commissioned by Technopak for National Restaurant Association of India (NRAI).

Conclusion

Services Marketing sector is the fastest growing sector in India, contributing significantly to GDP, It constitutes a large part of the Indian economy both in terms of employment potential and its contribution to national income. The Sector covers a wide range of activities from the most sophisticated in the field of Trade, Hotels and Restaurants, Railways Other Transport & Storage ,Communication (Post, Telecom) ,Banking Insurance, Dwellings, Real Estate, etc. The current situation in India is that the growth rate of services marketing has overtaken both agriculture and industry India therefore has a services-oriented economy.

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Impact Of After Sale Service In Customer Satisfaction With Special Reference To Customer/Consumer Of Raipur City

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Customer Satisfaction is that part of management which is the most important factor of Business. Whenever any seller sells any product he/she also seller service along with that product and customer pay for that service. If Seller fails to provide service to customer on that condition customer become dissatisfied with product as well as manufacturer of product and seller too.

After sales Service is the most revolutionary change in marketing management. By good and sound sales service can increase profit and production of any manufacturer in business.

Now people are using sales services for purchasing product. Most of the Manufacturer is involved in selling product but the most important question is that are they providing service to their customer/consumer or not. For knowing answer of this question I have done research survey and title of my research study is Impact of Online Shopping and Services in Customer Satisfaction with Special Reference to Customer/ Consumer of Raipur City.

Methodology

Research Methodology

Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying how research is done scientifically. In it we study the various steps that are generally adopted by a researcher in studying his research problem along with the logic behind them. It is necessary for the researcher to know not only the research methods/ techniques but also the methodology.

Research Design

The formidable problem that follows the task of defining the research problem is the preparation of the design of the research project, popularly known as the "research design". This research is basically an Exploratory cum Descriptive research.

Data Source

Primary Data We collects primary data during the course of doing experiments in an experimental research but in case we do research of the descriptive type and perform surveys, whether sample surveys or census surveys, then we can obtain primary data either through observation or through direct communication with respondents in one form or another or through personal interviews.

1. Questionnaire,
2. Telephonic Interview,
3. Mails,
4. Warranty Cards.

Secondary Data

Secondary data means data that are already available i.e., they refer to the data which have already been collected and analyzed by someone else. Secondary data may either be published data or unpublished data.

1. Company Profile,
2. Brochure
3. Internet

Data Analysis

Data analysis will be done through Average Percentage Method & the reason for choosing this method is that we are taking sample of 50 people.

Universe

All items in any field of inquiry constitute a UNIVERSE. A complete enumeration of all items in the universe is known as census enquiry. It can be presumed that in such an inquiry when all items are covered, no element of chance is left and highest accuracy is obtained, but in practice this may not be true.

In my research I have taken Raipur Street Purani Basti and Gandhi Chowk as a universe.

Sample

A part of the universe is known as SAMPLE. The method consisting of the selecting for study, a portion of the 'universe' with a view to draw conclusions about the 'universe' is known as sampling.

In my research I have taken 50 as a sample.

Objective of the study:-

- To determine the impact of Service on customer/consumer.
- To know the factor influencing customer satisfaction.
- To analyze the driver factor of customer satisfaction regarding product.

Questionnaire

For knowing the impact of Online shopping companies services on consumer/customer i have design some question for response. According to their response we elaborate some findings and conclusion.

Following are the questions of our research survey method:

1. Do you have any knowledge about After Sales

Services?

2. Do you feel Service is most important factor for Customer/Consumer Satisfaction?
3. Does your Satisfaction is ever affected by Service of product?
4. Do you think Customer Satisfaction **is** external factor for business?
5. Do you think online shopping companies provide services after selling of their product?
6. Do you think Customer/Consumer Satisfaction is influenced by Competitive Environment?
7. Do you think nowadays after sales service is playing the most important role in Customer Consumer Satisfaction?
8. Do you think after sales service is only a single factor which influences Customer/ Consumer Satisfaction?
9. Do you Customer/Consumer Satisfaction is easily controllable by any Service provider?
10. Does your Buying Decision is affected by after sales service which is provided by manufacturer?

Findings

By the following research it can be concluded that:

- Respondent's have knowledge about after sales services.
- Customer/Consumer Satisfaction is most importantfactor for business.
- Customer/Consumer Satisfaction is affected by after sales service.
- Customer/Consumer Satisfaction is external factorfor business.
- Customer/Consumer Satisfaction is influenced by competitive pressure.
- Nowadays Customer/Consumer Satisfaction is playing important role in Business Environment.
- Customer/Consumer Satisfaction is not easily controllable by any Business environment.
- Customer/Consumer Buying Decision is affected by after sales service which is provided by manufacturer/Seller.

Recommendation

By the following research it can be recommended that

- Seller / Manufacturer must have knowledge about after sales services.
- Before making any product manufacturer/ producer should make sound strategy for after sales service. It may increase success of product in market.
- Manufacturer should use customer/consumer satisfaction as a external factor for business.

Suggestion

By the above study following are suggestion

- Manufacturer/Producer must have knowledge about customer/consumer satisfaction.
- Before making any product manufacturer/ producer should make sound strategy for after sales service. It may increase success of product in market.
- Manufacturer should use customer satisfaction as an external factor for business.

Limitation of the study

Following are the limitation of the study

1) Time
2) Cost
3) Language
4) Age
5) Awareness

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Quota Removal And Its Impact On Knitwear Garment Exporters In India (With A Particular Reference To The Tirupur Knitwear Manufacturers)

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Introduction

India has been exporting garments from time immemorial and has established a distinct position in the world clothing market. India is known as a country producing low cost products and fashion garments of good quality at the international market and act as the major supplier of garments in it. Knitwear products in India are emerging as a potential market and the trends from 1980 is any indication it would be the prime driver of Garment industry in the days to come. In this perspective, this piece of research highlights the importance of the textile sector, particularly the knitwear manufacturing industry regarding the prosperity through the quota removal and its impact on export performance.

Knitwear Industry an Indian Profile

Indian textile industry is considered as one of the largest foreign exchange earners to India and contributing a considerable share to the total export earnings. Coupled with this, knitwear products in India is fast emerging as a very big potential market and the way things are shaping at the moment, it would be no exaggeration or out of place to predict that knitwear would be the prime driver of garment industry in days to come not only in India but elsewhere as well. Knitwear Industry in India is poised for a huge leap if the current indicators are to be believed. In fact, the trend in India from 1980 onwards has been very much encouraging. The knitwear industry provides one of the basic needs of the civilized man kind to a larger extent. The desires and emergence of fashion among the different segments of customers drive the industry to make an effort to produce variety of knitwear garments to satisfy them. The steady increase in demand led the industry's growth particularly in the past three decades.

In spite of this situation, the Post-liberalisation era has put a path for a healthy competition in the knitwear garment industry and hence faces new challenges as well as opportunities**.** The transition from quantitative restriction era (Pre-Quota period) to free trade era (Post-Quota period) has forced the industry to cope with the challenges in all the areas of its management the well equipped dynamic exporters are capitalising the opportunities in the course of catching up the world export market.

The apparel export industry in India is expected to exploit the opportunities and respond to the challenges especially in the key areas to catch up the market, quality products, up gradation of technology, cost reduction and cost control, meeting the environmental issues and channelising the logistics system.

Tirupur Knitwear cluster

Tirupur, a well developed town ship has already acquired a land mark status and established its prominence in the world knitwear market. Tirupur is one of the largest foreign exchange earners in India and also provide ample employment opportunities to about half a million people either directly or indirectly. Majority of the workers have migrated from the nearby villages, districts and the states as well.

Tirupur is the district head quarter which was established in the year 2009, located near the industrial town, Coimbatore and is famous for apparel production in the state of Tamil Nadu. In fact it is one of the towns known for its hosiery products in India. Nearly 10,750 units are engaged in the production of garments for both inland as well as export sales which include fabrication or knitting units, dyeing units, bleaching units, fabric painting units, garment making, embroidery, compacting, raising , and calendaring.

During 70's this city was mainly producing undergarments such as vests and briefs for domestic market consumption. Fortunately, dramatic turn in the early 1980's took place when Tirupur woke up to launch its entry into its export arena mainly due to the timely delivery of quality products with a cheaper price in the international market. During this period Tirupur exporters were concentrating on T- shirts made in small quantities. In the middle of 80's exports of other items gained momentum.

The dramatic change of Tirupur from producing garments for the domestic market to international market is attributed to the fact that most of the western countries started disbanding their garment manufacturing units due to pollution and high labour cost. Concurrently the Asian Tigers like, Japan, Hong Kong, Taiwan and South Korea dominated the knitted garments market in 80s, started moving to high tech areas like electronics and communication, automobile technology, etc. enabling Tirupur to capitalise the opportunity for penetrating in to the European market. Besides knitwear units catering to the exports and local markets there are a large number of other ancillary and supporting industrial units operating for manufacture of elastic tapes, cartons, printing of labels, polythene bags, and other packaging materials. The extraordinary growth rate in the export of knitwear items from Tirupur is owing to the following reasons:

(a) Easy availability of raw materials (b) Availability of cheap rural labour (c) Flexible attitude of entrepreneurs (d) Infrastructurel facilites (e) Supports extended by the export promotional agencies like Apparel Export Promotion Council (AEPC), Tirupur Exports, Association (TEA), National Institute of Fashion Technology (NIFT) and New Tirupur Area Development Corporation limited (NTADCL) etc.

Growth

With the beginning of Rs.19 crores in 1985, export of knitwear garments from Tirupur rose to Rs.3,528 crores during the year 2001.(AEPC's Hand book of export statistics) The value of exports both woven and knitted products during the year 2004 from Tirupur was Rs.4,685 crores out of which Rs.4,553 crores accounted for knitwear exports. The town independently contributes over 60% of India's total knitwear exports. As a mark of recognition, the Government of India's Export Import Policy offered the town the title "Town of Export Excellence"

The problem was that the Indian knitwear exporters had assured market, and when it was announced that the quota system was going to be lifted as per the W.T.O agreement w.e.f. 1.1.2005 the Indian exporters felt they lost their assured market. The Indian exporters only had Business to Business contact (B to B) and were not producing on their own brand name i.e. Business to Customers (B to C). Therefore those exporters who were not able to compete with world exporters-closed their business shutters. But a good majority of the exporters-changed their management technique and have won the competition.

Objects of the study

The study aims at exploring the various management strategies adopted by the Tirupur exporters to get over the problem arise out of removal of the quota for the importers from any exporting country as per the Multi Fibre Agreement and how they survive/Prosper by adopting suitable (change) management strategy.

Methodology

The total knitwear exporters of Tirupur were divided into unregistered firms and registered firms. Only the registered firms were considered for the study. The total number of registered exporters was 672. Out of this, only ¼ (168) was selected as sample for the study on representative basis. The sample units are 56 Sole Trader Concerns (33.33%), 100 Partnership Firms (59.53%), 8 Private limited Companies (4.76%), 4 Public Limited Companies (2.38%). Again the sample units were analysed on the basis of type of organisation, nature of business they were doing and experience of the exporters. This study is based on both primary and secondary data. The reactions and the responses of the exporters are based on primary data. The performance is based on the secondary data.

First their reactions for the removal of the quota system was analysed by using the Kruskal Wallis analysis. There after their management strategy in identifying new areas of investments, the managerial factors on which they will have to concentrate and their perceived priorities and the driving strategies were considered. This was analysed using the Friedman ANOVA and Kendall's co-efficient of concordance.

Results of the analysis

In the first analysis, irrespective of the type, nature of business and experience of the exporters, a good majority have realised that the new situation was a challenge as well as an opportunity to increase their export performance. Therefore they have geared themselves for the change.

The analysis pertaining to the area of investments, ranking the factors on which they will have to concentrate and the ranking for the driving strategies have shown that all the Manufacturer Exporters, Merchant Exporters and the Manufacturer-cum-Merchant Exporters have higher degree of agreement in adopting the changed management strategy and their ranking and driving strategy to face the new conditions.

The success story of the changed management strategy can be seen from the following table.

The results clearly show that the exporters of Tirupur were exporting on an average Rs.595.01 crores per annum during 1986 to 1995 i.e. before announcement of the W.T.O agreement. The performances of the exporters during the transition period from 1996 to 31.12.2004 were on an average Rs. 3182.88 crores worth of knitwear garments exported to various countries. But after the removal of quota system from 1.1.2005 the exporters have not only withstood the world competition, but also were able to show that they have exemplified their performance by exporting on an average of Rs.21355.55 crores per annum.

Acceptance/Rejection of Removal of Quotas

To find out whether the exporters in Tirupur favour the removal of quota and quantitative restrictions or did not like that are analysed in detail. For this purpose the relevant data was collected and presented in the table 3.

From the table it is understood that almost all (96.43 percent) the knitwear exporters from Tirupur have favoured the removal of quota system. This is further analysed based on the type of organization, firm category of exporters, business experience as shown in table

The table 4 shows that the exporters of Tirupur have justified or accepted the removal of the quota system to the extent of 97.02 per cent (Highly justified + justified)

The approval for the removal of quota system, the results of the analysis reveals that 69.64 percent of the respondents reported the removal was ‘justifiable’. 27.38 percent of the respondents expressed the removal of quota system was highly acceptable. Altogether 97.02 of the respondents (163 respondents out of 168) reported that removal of quota system bring prospects to them. Very meager (2.98 percent) respondents expressed “No Comments” in respect of phase out of quota system.

The analysis of the table shows the opinion of the respondents in different segments of knit wear exporters as to whether they “Favour the removal of quotas and Trade restrictions” in cross tabulation. It is understood that all (100 percent) public limited companies and sole proprietorship concerns, 95 percent of partnership firms and 87.50 percent of private limited companies have expressed that the removal of quota system will bring benefits to them.

The H value (4.64) being insignificant, it is evident that irrespective of the type of the exporting organisations they favoured the removal of quota system.

128 respondents out of 132 manufacturer exporter category (96.97 per cent) and 18 respondents out of 19 merchant-cum-manufacturer exporter(94.74 per cent) category, 16 respondents out of 17 of merchant exporter (94.12 per cent) have favored the removal of quota. The H-value being insignificant the result reveals that the opinions of the category of exporters are almost similar. i.e. they have favoured the removal.

The study has revealed that in the case of the exporters based up on their experience in this business also have expressed similar views i.e. they also favoured the removal of the quota system. Cent per cent of the respondents (60 out of 60 respondents) who have experience less than 10 years, 96.55 per cent of the respondents (56 out of 58 respondents) having business experience between 10 and 15 years and 92 per cent of the exporters (46 out of 50 respondents) of above 15 of years business experience have favoured the removal of quotas.

The H-value (5.02) being insignificant shows that the opinions of the different category of the exporters are similar. Hence it is concluded that the removal of quota system and trade restrictions have been favoured by the knitwear exporters from Tirupur.

The exporters from tirupur have realized that the threat is a potential opportunity introduced. But gradually, it is revealed through and have mentally prepared themselves to face the competitive situation in the world knitwear market.

Understanding the Competitive Factors

The exporters from Tirupur observed the changing scenario of policy in the world market and transformed themselves to the modern technology, trained the personnel and adopted the updated communication system through internet and availed the facilities offered by the promotional organisations working for them.

The competitive factors of knitwear exporters from Tirupur have been ascertained from the respondents based on their opinion and the results are presented in the table 6

The data brings to light that 74 out of 168 respondents (45.68 percent) have expressed all the three factors such as productivity, quality and cost effectiveness as their competitive factors. 83 respondents i.e.51.23 percent of them have felt that “quality” and “cost effectiveness” as their competitive advantage.

This was further analysed based on the types of organisation, category of the firms of exporters and also on the basis of business experience.

The table 7 shows that 50 percent of the public limited companies and 48.21 per cent of the sole proprietorship concerns have reported “quality” as their competitive edge, while 42.86 percent of the private limited companies reported “cost effectiveness” as their competitive advantage after removal of quotas. Majority of the respondents belong to private limited companies (57.14 percent) have opined all (productivity, quality and cost effectiveness) as their competitive factors i.e. the major exporters of knitwear i.e. 56 per cent of the sole trader concern and 100 of the partnership firms have reported quality as competitive advantage and a majority of all the groups have reported all the factors.

When the opinion of the respondents across types of organization are ranked and the rank sums are compared, it is found that the opinion of the exporters do not differ significantly (H value = 3.18 is insignificant). Leading to the conclusion that irrespective of the type of the organisation, the removal of the quota system has helped them to develop their competitive edge in all the aspects.

The table reveals that 42.97 per cent of the manufacturer exporters, and 56.25 per cent of the merchant exporters and 55.56 per cent of the manufacturer-cum-merchant exporters have accepted that all the three factors i.e., productivity, quality and cost effectiveness are their competitive factors. When the results were tested to find out as to whether there is any differences in the views expressed by the respondents by using the H value it was found that the value being insignificant it leads to the conclusion that there is no differences in the opinions of the exporters .

When an attempt was made to find out the competitive advantage of the exports based on their business experience table 9.

The result shows that more than 50 percent of the respondents from 10 to 15 years of experience in this business and above 15 years of experience in this business expressed all the three factors as their competitive advantage. Whereas the respondents falling under the category of less than 10 years of business experience have reported quality maintenance as well as all the “three factors” are their competitive factors. Only 28.33 percent of this category have expressed “cost effectiveness" as the competitive factor for their success in business. The above differences across the groups under business experience being significant at 10 percent level. (H Value = 5.07, $P < 0.10$) indicates that there is no uniformity in their perception.

Hence, it can be concluded that, the inferences made in respect of competitive factors is all the three factors such as productivity, quality and cost effectiveness are the competitive factors for Tirupur knitwear exporters.

Change Management by identifying the areas of Investments

The removal of quota system has driven the Tirupur knitwear exporters towards catching up the international market as well as to compete with the giant competitors like China, Bangladesh, Korea etc.

A decade back when the quota removal system was on the arrival there was an apprehension among the exporters that their assured market is going to be lost. But in the today's position the exporters have felt that the quota removal plan was an opportunity to increase their and to establish their business in the global market by way of providing pure organic quality knitwear garments, Fashion design and value additions, Fancy garments with exquisite embroidery work etc.

In this context, the exporters' preference for investment after the removal is analysed by way of presenting the relevant data in the table 10.

Majority (81.50 percent) i.e. 137 out of 168 respondents have preferred to invest more in the area of "Quality management system" (QMS) of monitoring the quality of the fabric used, based on the requirements of the buyers and also on the perfection of the execution of the orders as against the specifications given by the importers to satisfy the foreign customers.

Followed by 73 out of 168 respondents (43.50 per cent) and 63 out of 168 respondents (37.50 per cent) have preferred to invest in the area of marketing and management respectively 32 out of 168 respondents (only 19 percent) favoured "Environmental Management system" it is a system in controlling the pollution problems caused by the producers who have integrated their production process to manage the effluents by way of setting up of the effluents treatment plants. It is mandatory to concentrate on this problem for their further investments after the phase out of quota.

Perception of the Producers about the Factors to be Concentrated by the exporters in the Change Capacity

The factors, which assist to expand the production, marketability and widen the scope of production and exports, are identified by ranking the perception of the producers and exporters of Tirupur by using Friedman ANOVA and Kendall's co-efficient of concordance. The results of the analysis are presented in the table 11.

Simplification of taxes (implementation of uniform tax / The observation of the table shows that the Kendall's co-efficient of concordance value of 0.6249 being significant at 1 percent level which is higher (Friedman ANOVA $\div$ 2 = 839.83, $p > 0.01$). This indicates that the sample exporters had similar opinion on the ranking factors which are based on the average rank scores. From the table it is also clear that "Production Regularities" is the primary factor to be concentrated by the exporters after the phase out of quota. "Adoption of changes and creating new design", 'Door delivery at low cost' and "Simplification of Taxes' are the factors given more attention by the exporters. The "Attitude of Business Personnel", simplification of producers and signing bilateral agreement with US and EU are the other factors that the exporters have given less concentration. Fried man ANOVA chi-square at 839.83 being significant at 1% level and higher than the Kendall co-efficient of concordance value "W" 0.6249. To ascertain the consistency of the ranking perception of the respondents it is also analysed on the basis of firm category and the results of the analysis are shown in the table 12.

It is evident from the table that the Kendall's 'W' test (co-efficient of concordance), being 0.6355 for the manufacturer exporter (Friedman ANOVA $\div$2 = 671.10, $p < 0.01$), 0.6013 for merchant exporters (Fried man ANOVA $\div$ 2 = 81.77, $p < 0.01$) and 0.6173 for manufacturer-cum-merchant exporters (Friedman ANOVA $\div$ 2 = 93.82, $p < 0.01$) are highly significant. The 'W' values being above 0.6000l the analysis shows, the higher degree of agreement among exporters in all the three groups with regard to ranking the factors that needs concentration for meeting and overcoming the challenge.

As there is an agreement among the exporters in each group, the factors are ordered based on the average rank scores, and it was found that "Production regularities" and "Adoption of changes and creating new design" was chosen first and second by all the three groups of the exporters under the firm category. This shows the changing strategy.

Conclusion

The knitwear exporters from Tirupur initially thought that the removal of the quota system may be a threat to the business existence. But quickly they realise that it may be a challenge as well as an opportunity for them. Therefore by way equipping their competitive skills and adopting changed management strategy during the transition period itself they were able to improve their performance and after that period they were exemplify their own performance.

References

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E-Marketing - A Paradigm Shift In 21st Century

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Introduction

The internet or the World Wide Web had its nascent beginnings in the 1980's. E-Commerce or online shopping was not far behind with it's beginnings at the end of 1990. And as the E-Commerce caught on marketing had to change from its traditional bastion to envelop the new technology of the networked world.

E-commerce or E-business is the entire gamut of business possibilities but online or virtual. From buying an airline ticket or to banking, from buying shoes to dating a companion. You can do it all online.

Organizations had to reinvent their marketing strategies to envelop this new virtual world. So from websites, to advertisements on other websites, to email marketing a new era beginning with the new millennium.

The world population as it stands today is at 7.1 billion and of this population, in developing countries around 39% of population uses internet and in developed countries around 77% uses internet. In India 12.1 % of population uses internet.

The world's e-commerce sales are set to top 1.25 trillion by year end 2013. India's e-commerce market was worth about $2.5 billion in 2009, it went up to $6.3 billion in 2011 and to $14 billion in 2012. About 75% of this is travel related (airline tickets, railway tickets, hotel bookings, online mobile recharge etc.). Online Retailing comprises about 12.5% ($300 Million as of 2009). India has close to 10 million online shoppers and is growing at an estimated 30% CAGR vis-à-vis a global growth rate of 8–10%. Electronics and Apparel are the biggest categories in terms of sales.

The online world is growing and if organizations have to succeed they need to be present in the virtual world and create a balance between traditional marketing and online marketing. Just as how a business is different from marketing and how marketing is a part of the strategy of an organization, so is e-marketing a part of e-business and thus has to be differentiated.

Definition

E-Marketing. The application of marketing principles and techniques to achieve marketing goals via e-communication technology. It has to be noted that E-Marketing is different from E-Advertising just as advertising is a part of marketing in a similar manner E-Advertising is a part of E-marketing and has similar connotations as real world marketing.

The process of creating sustainable marketing strategies along with correct conception of product, pricing, promotion and place is imperative to the success of online business. This would involve offering the right kind of product or service, at the right price, with right kind of online promotion and right kind of website or e-retailing initiative

Online Marketing needs it's own set of strategies and plans to achieve it's goals and be a profitable expense for the organization.

Objectives of the Study

(1) To get an overview E-Marketing. (2) To get an understanding of E-Marketing tools. (3) To Compare Traditional Marketing With E-Marketing.

Methodology – The Present paper is prepared with the help of secondary information available through various sources and Analysis has been projected accordingly.

Research limitations – Since the paper is from secondary sources, the broader picture is limited to the information available. E-Marketing and Traditional Marketing are topics that cannot be covered entirely; hence the paper will limit itself to the broader overall view.

Steps For Online Marketing.

Research: - Into the tools available for e-marketing. Research into the effectiveness of tools and the competitor analysis.

Strategy: -You need to define a clear effective strategy. It's very easy to waste time and money on internet marketing, a clear strategy will help with this. How are you going to attract potential customers, how are you going to engage them, how are you going to keep in touch with them and how are you going to convert them.

Budgeting: Though most would consider this a part of the strategy. Cash flows and improper budgeting are the ones that lead an organization to failure. Proper budgeting and analysis of rupee spent and the return on the marketing initiative will help an organization fine tune its plans.

Branding: Online appearance is as important as offline appearance. If you are a luxury brand naturally your online appearance cannot be shoddy. Our online presence should be in-line with our offline branding and persona.

Content: You need to have a clear content strategy. What content are you going to provide that will add value, what will be of interest to potential customers.

Market Analysis: Study your market**.** Decide if you are part of a niche market. If so, you will want to center your strategy on that demographic, instead of all

Internet consumers. Choose your ideal consumer. Decide who your demographic is, in order to target it with your strategy. Focus the majority of your online marketing budget on your ideal demographic.

Competitors: Study them from their website through their sales process, including their marketing strategies. Identify the past and ongoing marketing strategies of your largest competitors, so you know what works in your given market.

Feedback mechanism: Not knowing where we are going will land us somewhere we do not want to be. So having a clear roadmap along with a feedback mechanism or a mechanism which will help the organization evaluate what it's doing right and what it isn't will go a long way in taking correct decision. Evaluation of return on investment and other measures will help in fine tuning the ongoing strategy

Consistency: One plan today and another plan tomorrow will never get results. There has to be a clear understanding of the roadmap, strategy and evaluation before any reinvention. An inconsistent approach will lead to eroding of the budget along with no returns.

Over View Of Online Marketing Tools

Website:

A website, also written as Web site, web site, or simply site, is a set of related web pages served from a single web domain. A website is hosted on at least one web server, accessible via a network such as the Internet or a private local area network through an Internet address known as a Uniform resource locator. All publicly accessible websites collectively constitute the World Wide Web.

The importance of a website can never be underscored. No amount of web-advertising, social media promotion etc would help if there is no website. Customers like to eventually have a place where they can get concise relevant information and interact and decide on future course of action.

Organizations generally keep their e-commerce website different from their corporate site. This helps keep the clarity and differentiation.

Search engine Optimization:-

There is no point being there if no one knows you are there and no point in being there if no one can find you.

SEO is the process of affecting the visibility of a website or a web page in a search engine's "natural" or un-paid ("organic") search results. In general, the earlier (or higher ranked on the search results page), and more frequently a site appears in the search results list, the more visitors it will receive from the search engine's users. SEO may target different kinds of search, including image search, local search, video search, academic search, news search and industry-specific vertical search engines.

Apart from organic search engine optimization, paid search results is a good strategy.

Search engines such as Google and Bing (Microsoft's competing search engine to Google) index content and try to display the most relevant information to users when they perform a search. The search engine optimization process is about ensuring that the search engines give priority to your web pages over other competing pages and there are many techniques for doing this

On Page Optimization: In search engine optimization, on-page optimization refers to factors that have an effect on your Web site or Web page listing in natural search results. These factors are controlled by you or by coding on your page. Examples of on-page optimization include actual HTML code, meta tags, keyword placement and keyword density.

Off Page Optimization**:** In search engine optimization, off-page optimization refers to factors that have an effect on your Web site or Web page listing in natural search results. These factors are off-site in that they are not controlled by you or the coding on your page. Examples of off-page optimization include things such as link popularity and page rank.When somebody links to your website that is like someone giving you a vote for an election. The more relevant votes you get the better. So Google checks to see who is linking to you and what words they are using to link to you. You need to get important web pages to link to you using the keywords you want to get indexed on. It is much better to get 10 links from 10 important and relevant websites

For example a Link from TIMES OF INDIA would be better than some vague website.

Social Media:

Internet has become global and yet personal. It's now a networked open world yet very individualistic and personal at the same time. People are interacting more and more through social websites and exchanging information and views and ideas. This has huge potential for marketers. A right social network presence will get you places, a negative feedback will lead to loss of business.

Social media is very simple. It's really about people networking online and how you communicate with people online. People are networking online with a range of different tools such as Linked In, Facebook, and Twitter. As people spend more time on social networks they are starting to recommend products and services, share out information on their holidays, trips, products purchased and much more.

Social media: refers to the means of interaction among people in which they create, share, and/or exchange information and ideas in virtual communities and networks. Andreas Kaplan and Michael Heinlein define social media as "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content."

Social media is a phenomenon which is seeing growth everyday. 90% of the 18-29 age group is on Social Media ,then the 30-49 age group accounts for 80% on social media. (these figures are true for the internet users and not the general population) Also, when looking at the average hours per week spent on online activities, we can definitely see that the world is becoming more social, with an average of 4.6 hours per week spend on Social Media Sites worldwide.

Social Media Players:-

Facebook: Users must register before using the site, after which they may create a personal profile, add other users as friends, exchange messages, and receive automatic notifications when they update their profile. Additionally, users may join common-interest user groups, organized by workplace, school or college, or other characteristics, and categorize their friends into lists such as "People from Work" or "Close Friends". Facebook was founded in February 2004 by Mark Zuckerberg

Twitter: is an online social networking and microblogging service that enables users to send and read "tweets", which are text messages limited to 140 characters. Registered users can read and post tweets but unregistered users can only read them. Users access Twitter through the website interface, SMS, or mobile device app. Launched in March 2006.

Linked in: is a social networking website for people in professional occupations. Founded in December 2002 and launched on May 5, 2003, it is mainly used for professional networking. As of June 2013, Linked In reports more than 259 million acquired users in more than 200 countries and territories

Google Plus : Google+ (pronounced and sometimes written as Google Plus) is a social networking and identity service owned and operated by Google Inc. It is the second-largest social networking site in the world after Facebook, and 500 million people had created Google Plus accounts as of December 2012

Youtube: is a video-sharing website, created by three former PayPal employees in February 2005 and owned by Google since late 2006, on which users can upload, view and share videos.

Blogging:- A blog (a truncation of the expression **web log**) is a discussion or informational site published on the World Wide Web and consisting of discrete entries ("posts") typically displayed in reverse chronological order (the recent post appears first).

Instagram:- is an online photo-sharing, video-sharing and social networking service that enables its users to take pictures and videos, apply digital filters to them, and share them.

Pintrest:- is a pinboard-style photo-sharing website that allows users to create and manage theme-based image collections such as events, interests, and hobbies.

Online Advertising:

Display advertising: Display advertising conveys its advertising message visually using text, logos, animations, videos, photographs, or other graphics. Display advertisers frequently target users with particular traits to increase the ads' effect. Online advertisers (typically through their ad servers) often use cookies, which are unique identifiers of specific computers, to decide which ads to serve to a particular consumer. Cookies can track whether a user left a page without buying anything, so the advertiser can later retarget the user with ads from the site the user visited

Sponsored search :Sponsored search (also called sponsored links or search ads) allows advertisers to be included in the sponsored results of a search for selected keywords. Search ads are often sold via real-time auctions, where advertisers bid on keywords. In addition to setting a maximum price per keyword, bids may include time, language, geographical, and other constraints. Search engines originally sold listings in order of highest bids. Modern search engines rank sponsored listings based on a combination of bid price, expected click-through rate, keyword relevancy, and site quality.

Google Adwords: When you do a search on Google you generally see advertisements to the right hand side of the search and sponsored advertisements across the top.

Companies are paying for these advertisements based on a cost per click or cost per impression basis.

- Cost per click — this means that you pay when somebody clicks on the advertisement but you don't pay for it to be displayed.
- Cost per impression — this means you pay an amount every time the advertisement is displayed 1,000 times irrespective of whether someone clicks on the advertisement or

Affiliate Marketing:

A tool which will help drive traffic to your website. E-commerce site. online retail site etc from other websites. blogs etc.

Affiliate marketing (sometimes called lead generation) occurs when advertisers organize third parties to generate potential customers for them. Third-party affiliates receive payment based on sales generated through their promotion.

The source of the traffic is called the affiliate. The affiliate then gets payment for driving this traffic depending on the result. For example, the affiliate may only get paid if they drive traffic to your website and this ends up in a sale.

There are many forms of affiliate marketing and sometimes these cross over with other forms of advertising. Here are some examples:

You write a blog post about a hotel you stayed in and the link to the hotel is an affiliate link. So if you go to the hotel and book a room then the source of this traffic will get paid an amount.

Online PR:

Online PR is basically monitoring the name of your website or products in different sites where it may be discussed like social forums, complaints web sites etc. You may monitor review websites etc. For example the Taj Falaknuma Hyderabad monitors Travel websites and thanks customers and provides incentives for further stays and those if any dissatisfied are asked about the reason and given incentives to remove the negativity if any. You may also induce people who have a positive experience to voice it on review websites.

Mobile Marketing :

Smart Phones and Tablets are the order of the day. Lots of people have APPs(Applications designed to run on the device to generate information ,entertainment) . Lots of Apps are embedded with advertising and are a new tool in the hands of marketers.

E-Mail Marketing:

Though E-Mail marketing nowadays lands up in spam boxes of most recipients. Even then it remains a valuable tool to send new information, especially to those who have subscribed to receive relevant information.

Comparison Of Traditional Vs E-marketing.

Cost: One of the most notable differences between traditional and cyber marketing is pricing. Traditionally, print ads in newspapers and magazines, road-side billboards, and radio and television commercial spots all carry price tags that reflect both the quality of the ad and the market the advertisement reaches. Likewise, printed marketing materials, including brochures, signs, sales fliers and business cards, all carry a price associated with paper quality, design and printing. Cyber marketing venues can also carry a cost, though there are currently numerous forms of cyber marketing that are virtually free. Email marketing campaigns and newsletters, business blogs, Facebook business pages and websites often start with no- or low-cost options, making them a viable alternative to traditional marketing, especially for small businesses with limited marketing budgets.

Immediacy: Print and broadcast marketing techniques require time to go from concept to finished product and delivery. Drafts must be completed, mock-up or demo advertisements reviewed and tweaked and then advertising time slots and placement determined. Even when the message is in place, broadcast materials do not reach the full intended audience all at one time, and mailed marketing materials take days to arrive at their destinations. Cyber marketing, on the other hand, is instantaneous. While you still put time and thought into the content and design process, marketing campaigns can be implemented at the click of a mouse.

Feedback: Internet marketing is easy to track. Software email marketing programs can tally the number of people who view a message, and with the case of online sales, track the number of ads that lead to purchases. Traditional advertising is more difficult to track unless a marketer conducts focus groups and surveys to gauge which marketing vehicles generate the most leads. Pay per click advertisement or banner advertisements have software which show the number of individuals who have clicked the mouse or have been routed to our website from an advertisement or an affiliate website.

Targeting: Traditional marketing may be more effective in reaching target demographics that don't utilize the Internet on a regular basis or conduct their commerce through cyber means. For example, a senior citizen who prefers to get her news through the daily newspaper will be easier to reach via print ads, while a young child who watches afternoon cartoons will be easier to reach through television ads. On the flip side, demographics that are never without technology at their fingertips, such as teenagers and Millennial, may be easier to each through mobile cyber marketing campaigns.

Accessibility: The means of production for industrial media are typically government and/or corporate (privately owned); social media tools are generally available to the public at little or no cost.

Frequency: The number of times an advertisement is displayed on social media platforms. The cost and targeting can create a balance in frequency. Traditional Media frequency is expensive.

Permanence: Industrial media, once created, cannot be altered (once a magazine article is printed and distributed, changes cannot be made to that same article) whereas social media can be altered almost instantaneously by comments or editing

Conclusion

The internet world is a dynamic networked world and changing as new technologies come in. It is tough to generalize which marketing style is adept for which organization or which tool is more relevant.

Depending on companies' goals, products and target group etc. the right choice of marketing tools can differ. Internet is a channel for communication. It still seems to have kept its main purpose but it has developed and is more versatile now. It is to some degree considered a marketing tool that can not be taken away without negative consequences. It seems to be a developing and more opportunity giving part of promotion which has added value to traditional marketing.

Marketers need to create a fine balance while walking the tight rope of using traditional marketing tools along with E-Marketing tools. A continuous ongoing research will bring in more clarity of the utilization scenarios of both tools and the return on investment.

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Supply Chain Management : Challenges And Opportunities

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Abstract

Supply chain management, a field that developed from business practice and researched undergoing a major transformation. It is changing from tactical in nature to a field strategic in nature. Supply chain management and logistics involves optimizing the delivery of goods, services and information from supplier to customer. An effective supply chain makes companies competitive and profitable supply chain activities begin with a customer order and end with a satisfied customer. There must be an easy access for co-ordination, collaboration and integration among the suppliers for effective supply chain management. The concept of supply chain management is more often accepted to be coined by the management Guru Peter Drucker with the passage of time, the function of distribution, logistics and integration of all the activities have gained the paramount importance.

These elements are equally importance for fluctuation of orders, inventory maintenance replenishment lead times, and transportation costs . Certain incentives are also permitted by the supply chain partners in order to avoid the distortions, Quality information can prevent manual mistakes in view of the elemental aspects. The concept of supply chain in management was of great importance, even in early 20th century especially with the creation of the assembly line. The role of supply chain has changed considerably over the last three decades. The study focuses challenges and opportunities of strategic chain management.

Keywords

Supply chain management, strategic, logistics, co-ordination, collaboration.

Objectives of the Study

1) To understand the concepts of supply chain management.
2) To know the emerging trends in supply chain mgt.
3) To evaluate the challenges and opportunities of supply chain management.

Research Methodology

The study is based on secondary data. The data and information required for the study has been collected from various sources like reference books, magazines, journals, newspaper and websites.

Introduction

Supply chain management (SCM) is concerned with the efficient integration of suppliers, factories, warehouse and stores. Therefore, merchandise is produced and distributed as follows.

- In the right quantities
- To the right locations
- At the right time in order to
- Minimize total system cost
- Satisfy customer service requirement.

In today's global market, due to the cut throat competition, the introduction of products with shorter life cycles and the heightened expectations of customers have forced business enterprises to focus attention on their supply chain management with the wide spread of computer network, communication technology and the internet , e-commerce, sms as and advanced transaction system, which is based on computer network is fashionable all over the world. The focus on customers, integrates whole the process of supply chain makes full use of external resources, realizes rapid and sharp reaction immensely reduce the level of stock. (In short, supply chain management becomes an important way for enterprise to improve adaptability and competitiveness and also is the important direction and field in international business management.)

In this way, supply chain management has gained significant importance in the 21st century. It is so because small companies like wall-mart, Dell and Amazan. Owe their entire success to their gile and adaptive supply chain.

However, some Indian companies are moving towards making their supply chain and logistics efficient. If companies chose to complete in the global environment, they will have to look for ways to reduce expenditure of their suppliers and channel partners logistics or distribution partners. In this way the main aim of supply chain management is to improve trust and collaboration among supply chain partners, so improving inventory visibility and the velocity of inventory movement.

What is supply chain management?

According to the council of logistics management (2000) SCM as the systematic co-ordination of the traditional business functions and tactics across these business functions within a supply chain for the purpose of improving the long term performance of the individual organization and the supply chain as a whole.

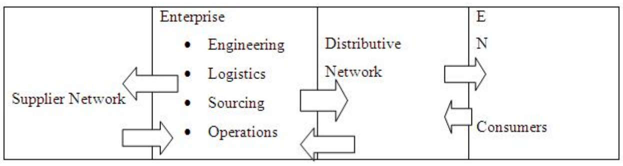
In another words supply chain management encompasses the planning & management of all activities involved in sourcing, procurement, conversion and logistics management. It includes the crucial components of co-ordination & collaboration with channel partners which can be suppliers, intermediaries, third party service providers & customers. In this way supply chain management is a combination of supply and demand management with in and across companies.

The integrated supply chain system:- It deals with the process of co-ordinating the flow of information on one hand and the flow of goods on the other hand, across the network of suppliers, distributors and final consumers.

It shows through the following figure

Figure No-1: The integrated supply chain relationship management.

Flows of information, products services funds and knowledge.

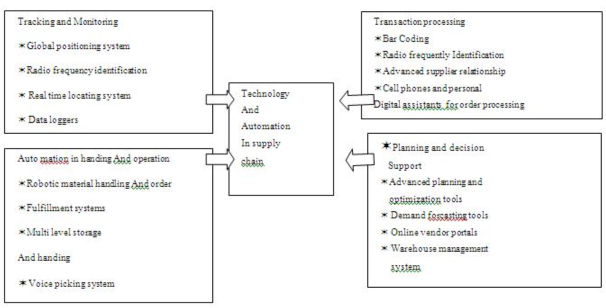


Business needs drive technology and automotion choice

According to the A.T Kearney analysis raising labour and rental costs, coupled with labour and availability issue are increasing the attractiveness of automation. More Complexity across the value chain is making technology essential for information sharing processing and analysis.

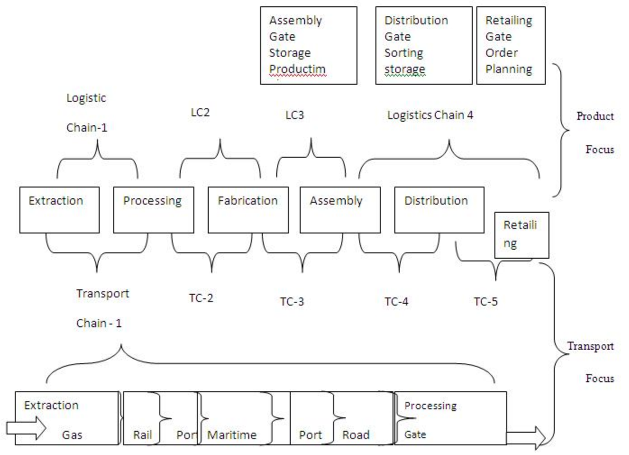
In this area tracking goods, transaction, Processing , Planning and decision support and automation in handing and operation are main areas in which technology or automation is deployed today.

Figure No:2 Areas of technology and automation adoption in supply chain.



Supply Chain management and Material flows

Transport and Logistics chains within supply chains: The growing flows or freight have been a fundamental component of cotemporary changes in economic systems at the global, regional and local scales. These changes are not accordingly to the quantitative freight in circulation but are also structural and operational. Structural changes mainly involve manufacturing systems with their geographies of production. The main principle of uninterrupted flow is thus at the core of an effective use of logistics to support supply chain management. It can be shown through the following figure .

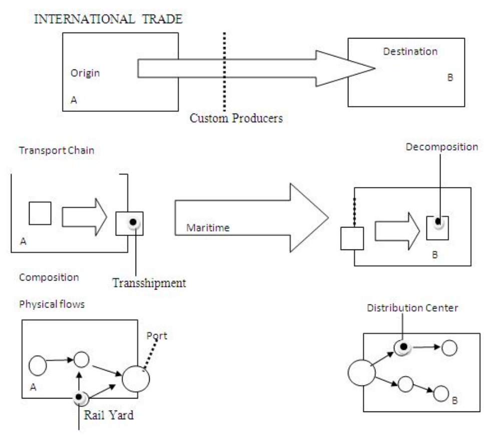


Source:- Adapted from Waxenius, J and J-P Rodrigne (2011)

"Detours in supply, logistics and freight transport chain"

A transport chain focuses upon a consignment and extends over movement, physical handling and activities directly related to transport i.e. dispatch, reception, transport planning and control. what is being traded, the partners involved as well as the transactional environment in which trade takes place. The physical realization of international trade requires a transport chain which is a series of logistics activities that organize made and terminals such as railway, maritime and road transportation systems and thus the continuity along the supply chain through a set of stages each having its specific factors.

Figure No:4 International Trade, Transportation chains and flows.



In the operational reality of modes and terminals, international as trade is a series of physical flows that may not necessarily use the most direct path but the path of least resistance.

Logistics: Shaping the space of flow in cities

The development and provision of advanced logistics services varies from country in most developing countries, the market for these services is small. The first worldwide logistics performance index (LPI) was developed to provide a better assessment about how respective countries rank in the managerial and physical effectiveness of their logistics.

The LPI is a composite index based on proxy measures for transport and information infrastructure, supply chain management and trade facilitation capabilities. Which are calculated based on a world international freight forwards and express carries.

Challenges and obstacles of supply chain management.

Supply chain management executives face unique challenges with respect to integrating supply chain specific strategies with the overall corporate business strategy.

Transaction Costs: From inside the organization the decision to outsource business process and create a supply chain outside of the organization is clearly done that requires an assessment of where the boundary of the organization should reside.

Strategy and Planning An effective supply chain must be able to cope with uncertainty, it follows that it must also be flexible.

Incentive obstacles:- These are obstacles that are caused by wrong incentive provided to supply chain members in order to influence their decision to support global optimization instead of pareto- efficient solution.

Behavioral obstacles: Policies and management practice such as frequency of MRP runs, Limited Company perceptive and local optimization characterize this category.

Operational obstacles : Lot requirements rationing and shortage gaming and large replenishment lead times can be summarized as operational obstacles. The effect of lead time was pointed out which can result in the having of forecast errors-

Information processing obstacles : They consist of order based of forecast instead customer demand and a lack of information sharing.

Pricing obstacles : Lot requirement rationing and shortage gaming and large replenishment lead times can be summarized as operational obstacles . The Effect of lead time was pointed out which can result in the having of forecast error.

High cost and supply chain The Indian industry spends an exceptionally high amount of 13% of its GDP on Logistics and 22% of the aggregate sales are tied up in inventories.

Lack of proper logistics Infrastructure : Country wide infocomm. B2B network and poor conditions of roads results in capital being tied up in huge stock piles of obsolete goods both in terms of moving inventory as well as at the factory site and lack of professionally competent Logisticians.

Inadequate Investment in IT: Though India is a leading exporter of IT product Indian companies are unfortunately least inclined to use them. So the IT presentation in India is low. This not surprising that Indian companies are 1.3% of the grass sales Inadequate infrastructure scenario required for.

Efficient supply chain: The fifth largest country in terms of grass national product GNP and purchasing power purity consumer base of over a billion people. India is the fastest growing market in the world.

Procurement Management: A typical manufacturing company needs to procure thousands of products from hundreds of suppliers; the challenge here is how to manage the complexity of the procurement process and establishment a strong procurement infrastructure to execute on strategic supply initiatives using an empowered organization structure. That is how to setup and how to manage global sourcing officers.

Logistics Management: The supply chain logistics problems facing multi- site companies can be complex involving multiple stake holder and constraints across the entire enterprise.

Enterprise integration: Enterprise integration doesn't happen naturally. It needs to be planned, yet the planning cannot be precise as business processes and facilitating technologies will charge.

Extranet adapting challenges: A firm must be committed to using the system as phone, fax and written record and it influences the firm's process as well i.e- Cost of implementation. Loss of Trust, Unable to adapt to change ,Uneven partner benefit, Losing the Inimitability, Lack of security, Increased independence

Globalization: The force of globalization of commoditization in today's business world are unstoppable. Globalization and Commoditization have created a challenges for companies that are as tough as it is clear.

Opportunities and ways ahead of improving the supply chain management

Investment in IT: This investment will go towards making companies connect with suppliers and partners. This connectivity will improve the visibility in the chain and therefore collaboration can take plale with partners.

Collaborative product development (CPD): Is a business strategy work process and collection of software application that facilitate different organization to work together on development of a product and thus saves costs. Coming up with new products is time consuming. This can be done by CPD.

Align Supply chain strategy with business strategy: Purchase or procurement section has more or less carried out the supply chain logistic functions. These department however are not aligned to follow supply chain as a strategic area and are often not in harmony with other department. Now the time is ripe to align competitive advantage, increase profitability and market share in these challenging times.

Price co-ordination using quality discounts: System optimization is sought through the alignment of a manufactures pricing structure with a customers purchasing incentives order a variety of condition i.e- different information availability.

Quality flexibility: Contracts including flexible quantities such as a guaranted amount of minimum purchases by a buyer and maximum amount of products made available through a supplier.

Buy back and returns policy: Such strategies aim to increase stocking incentives for customers, especially for perishable products.

Allocation rules: Under certain conditions a supply chain is better of not providing truthful information about actual order requirement, but also note that this might change it conditions change. i.e- marginal cost for capacity.

Non- price coordination: This includes mechanisms such as service territories, quantity forcing and service differentiation.

Conclusion

Considering the above facts and figure the researcher has conclude that, the supply chain management use the network, platform, maximum relate the customers, retailers, manufactures, suppliers and employers, improve greatly the level of enterprise management. Let both supply and demand can receive market information in a very short time, improve the product rate and economic benefit, reduce the production cost and fasten the products circulate, enhance the are competitive force of enterprise.

In short a supply chain is network of facilities and distribution options that performs the functions of procurement of materials into intermediate and finished products and the distribution of these products to the customers. In this way the challenge of managing a continuous supply of goods from all the different entities is the challenge of managing the supply chain in the context of globalization to operate efficiently in a single market economy the organization will have to develop more effective & integrated supply chain network which requires-

- Linking of global demand processes & supply planning.
- Accurate forecasting of products and services
- Sophistication in the information system
- Production of quality goods and services
- Fulfillment of orders in timely and efficient manner.

Keeping in view of the above information if true, it can be used not only to reduce the costs but also to explore the opportunities for competitive advantage and differentiation.

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Job Satisfaction Of Employees In Shri. Hiranyakeshi Sahakari Sakkare Karkhane Niyamit, Sankeshwar

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Introduction

Indian sugar industry is the second largest industry next to cotton textile industry. The existence of sugar has been playing an important role in Indian economy since many decades. Its importance in providing qualitative and quantitative sugar products both in domestic & international market is remarkable. India is the world's second biggest sugar producers after Brazil.

Job satisfaction is the result of various attitudes possessed by an employee towards his job. These attitudes are related to specific factors such as wages, conditions of work, advancement opportunities, prompt settlement of grievances, fair treatment by employer and other fringe benefits. Job satisfaction may be defined as an attitude which results from a balancing and summation of many specific likes and dislikes experienced in connection with the job. Sinha and Agarwal (1971) defined job satisfaction as a persistent effective state which has arisen in the individual as a function of the perceived characteristics of his job in relation to his frame of reference.

For the last three decades, the problem of job satisfaction has attracted considerable attention of Industrial Psychologists. It is regarded as a very significant factor in workers morale, absenteeism, accidents, and turnover and to some extent productivity, though its relationship with productivity is not very clear. Morse (1952) suggested that 'an organization can be evaluated in terms of human satisfaction'. The importance of job satisfaction is not only for its possible association with productivity, absenteeism, turnover and accidents. It is generally agreed that the dissatisfaction in job is due to poor mental health which will give rise to anxiety, depression, hyperacidity, headache and frustration. Since workers spends most of his time on the job, he does

Not get job satisfaction. Thus the dissatisfaction of jobs may cause social problems.

Job satisfaction is of great significance and profitable functioning of any organization. Satisfied workers are the greatest assets of any organization and dissatisfied workers the biggest liability. Employer-employee relationship is like a 'marriage', and the success of any marriage depends essentially on the co-operative, contributory, and complimentary efforts on the part of both the partners. Job satisfaction is of great importance for the individuals, the organization which employ them and the society as a whole.

Need For The Study

The term job satisfaction refers to a pleasurable or positive emotional feeling of an employee. To increase the productivity of an organization the employee's positive attitude towards his job is very much essential. Employees are highly complex individuals subject to variety of psychological and sociological needs apart from their survival needs. Attitude of employees is the main driving force of an organization.

Objective of the study

The study was undertaken with the following objective-

1. To study the job satisfaction level of employees in Shri. Hiranyakeshi Sahakari Sakkare Karkhane Niyamit, Sankeshwar
2. To identify the factors which influence the job satisfaction of employees
3. To study the reason of dissatisfaction among employees of Shri. Hiranyakeshi Sahakari Sakkare Karkhane Niyamit, Sankeshwar
4. To give suggestions to improve the satisfaction level of employees.

Hypothesis

Following hypothesis have been formulated for this study-

H0: There is no significant influence of salary component on employee dissatisfaction in sugar factory

H1: There is significant influence of salary component on employee dissatisfaction in sugar factory

H0: There is no significant influence of working environment/conditions on employee dissatisfaction in sugar factory

H1: There is significant influence of working environment/conditions on employee dissatisfaction in sugar factory

Scope of the study

1. The study has been conducted for in Shri. Hiranyakeshi Sahakari Sakkare Karkhane Niyamit, Sankeshwar.
2. The employees whose names are mentioned in the muster are only included in the study.

Methodology

The study is based on both primary and secondary data.

Primary Data - The primary data was collected using through questionnaire.

Secondary Data - The secondary data was collected from published sources such as annual reports, various studies, magazines and websites.

Sample Selection - The questionnaire was given to 50 employees. The researcher got accurate responses only from 30 respondents.

QUESTIONNAIRE DESIGN

A structured questionnaire was deigned to collect the primary data. The questionnaire was devolved on the basis of variables like occupation level, Facility, pay, Promotion and employer-employee relationship.

RESULTS AND INTERPRETATION

Table 1: Employees satisfied with their job Security				
		Frequency	Present	Cumulative Percent
Valid	No	03	10.0	10.0
	No Comments	02	6.7	26.7
	Yes	25	83.3	100.0
	Total	30	100	

The table 1 reveals that 83.3% of the respondents were satisfied with their job security and 10% of the respondents were not satisfied with their job security. 6.7% of the respondents were neither satisfied nor dissatisfied.

Table 2: Employees satisfied with the working conditions

Table 2: Employees satisfied with the working conditions				
		Frequency	Present	Cumulative Percent
Valid	Poor	10	33.3	33.3
	No Comments	05	16.7	50
	Good	15	50	100.0
	Total	30	100	

The table 2 reveals that 50% of the respondents were satisfied with the working conditions, 33.3% of the respondents were not satisfied and 16.7% of the respondents were neither satisfied nor dissatisfied with the working conditions.

Table 3: satisfied with their recognition and appreciation

Table 3: satisfied with their recognition and appreciation				
		Frequency	Present	Cumulative Percent
Valid	No	04	13.3	13.3
	No Comments	12	40.0	53.3
	Yes	14	46.7	100.0
	Total	30	100	

The table 3 reveals that 46.7% of the respondents were satisfied with the recognition and appreciation , 13.3% of the respondents were not satisfied and 40% of the respondents were neither satisfied nor dissatisfied with the recognition and appreciation.

Table 4: Employees satisfied with their salary offered

Table 4: Employees satisfied with their salary offered				
		Frequency	Present	Cumulative Percent
Valid	No	03	10.0	10.0
	No Comments	07	23.3	33.3
	Yes	20	66.7	100.0
	Total	30	100	

The table 4 reveals that 66.7% of the respondents were satisfied with their salary offered, 10% of the respondents were not satisfied and 23.3% of the respondents were neither satisfied nor dissatisfied with the salary offered.

Table 5: Employees satisfied with Opportunity to use One's abilities

Table 5: Employees satisfied with Opportunity to use One's abilities				
		Frequency	Present	Cumulative Percent
Valid	No	05	16.7	16.7
	No Comments	04	13.3	30.0
	Yes	21	70.0	100.0
	Total	30	100	

The table 5 reveals that 70% of the respondents were satisfied with Opportunity to use One's abilities , 16.7% of the respondents were not satisfied and 13.3% of the respondents were neither satisfied nor dissatisfied with Opportunity to use One's abilities .

Table 6: Employees satisfied with incentives provided

Table 7: Employees satisfied with promotion policy				
		Frequency	Present	Cumulative Percent
Valid	No	15	50.0	50.0
	No Comments	04	13.3	63.3
	Yes	11	36.7	100.0
	Total	30	100	

The table 6 reveals that 76.7% of the respondents were satisfied with their incentives provided, 10% of the respondents were not satisfied and 13.3% of the respondents were neither satisfied nor dissatisfied with the incentives provided.

Table 7: Employees satisfied with promotion policy

Table 8: Employees satisfied with Interpersonal Relationship				
		Frequency	Present	Cumulative Percent
Valid	No	02	6.7	6.7
	No Comments	01	3.3	10.0
	Yes	27	90.0	100.0
	Total	30	100	

The table 7 reveals that 36.7% of the respondents were satisfied with their promotion policy, 50% of the respondents were not satisfied and 13.3% of the respondents were neither satisfied nor dissatisfied with the promotion policy.

Table 8: Employees satisfied with Interpersonal Relationship

Table 8: Employees satisfied with Interpersonal Relationship				
		Frequency	Present	Cumulative Percent
Valid	No	02	6.7	6.7
	No Comments	01	3.3	10.0
	Yes	27	90.0	100.0
	Total	30	100	

The table 8reveals that 90% of the respondents were satisfied with 6.7% of the respondents were not satisfied and 3.3% of the respondents were neither satisfied nor dissatisfied with the Interpersonal Relationship .

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Findings

1. 83.3% of the respondents were satisfied with their job security.
2. 50.0% of the respondents were satisfied with the working condition.
3. 46.7% of the respondents were satisfied with their Recognition and appreciation
4. 66.7% of the respondents were satisfied with salary offer.
5. 70% of the respondents were satisfied with the opportunity to use one's abilties.
6. 76.7% of the respondents were satisfied with the incentives offered by the company.
7. 36.7% of the respondents were satisfied with the existing promotion policy.
8. 90% of the respondents agreed that there is a cordial interpersonal relationship between the employer and the employees.

Conclusion

Job satisfaction is one of the significant issues in sugar industry which if it tends to become job dissatisfaction will diminish the quality of production. While the level of motivation has an impact on productivity, and hence also on performance of business organizations. Based on the study, it has found that many factors contribute to the employees

Job satisfaction. It is also found that extrinsic factors such as company policy and administration, autonomy, relationship with supervisors, work condition, salary, relationship

With peers, and personal life have more research evidence that showed the contribution to the job satisfaction than the intrinsic factors. Management in a sugar factory should take an important role in order to increase the satisfaction level of the employees. Company's policy should support positively to the employees' job. Constructive relationships among interdisciplinary team should be maintained and be developed, and improvement in employee's workplace condition will give a significant effect on employees' job satisfaction.

Suggestions

1. Introduction of new promotion policy may help to increase the employee's satisfaction levels.
2. The pay structure plays an important role in job satisfaction of employees; hence the salary should be fixed in such a way that it fulfills the employees' expectation.
3. Working condition should be improved so that employees feel comfortable.
4. Inter organizational tour may be arranged once in a year for exposure of employees and to facilitate interaction among the employees of the organization.
5. Their should give a proper recognition and appreciation to the employes.

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Talent Management : A Need Of The Days

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Introduction

The term Talent Management is being used to describe sound and integrated human resource practices with the objectives of attracting and retaining the right individuals, for the right positions, at the right time. Organizations are run by people, and the talent of these people will determine the success of organizations. So, talent management is management's main priority (Michaels, Handfield-jones, H. & Axelrod, 2002).

Today's businesses face increased global competition, shifting markets, and unforeseen events. No wonder they are finding it more difficult than ever to attract, develop, and retain the skilled workers they need (McCauley & Wakefield, 2006). Talent management is ¯a conscious and deliberate approach undertaken to attract, develop and retain people with the aptitude and abilities to meet current and future organizational needs (Derek Stokley).

Talent management, also known as Human Capital Management, is the process of recruiting, managing, assessing, developing, and maintaining an organization's most important resource – i.e. its people (Bhatla, 2007). Talent management initiatives must involve dialogue and engagement with business in order to hire, retain and develop the talent that is needed to achieve the business goals. (HR Focus, 2008). Talent management involves individual and organizational development in response to a changing and complex operating environment. It includes the creation and maintenance of a supportive and people oriented organization culture.

Talent Management refers to identifying the employee talent and utilizing it effectively and retaining the same talent to compete with similar organizations. Talent is a competitive advantage. According to (Christonel, 2002), ¯New Value Systems will converge and reinforce each other, creating a company capable of winning big. Most of the organizations fail to identify the suitable candidates at the first place, and in case they do identify they fail to retain them. As per knowledge infusion, ¯talent management is defined as ¯the integrated process of ensuring that an organization has a continuous supply of highly productive individuals in the right job at the right time .

In a knowledge based sector, the quality of skills and talent is almost the only point of leverage that a institute has to create competitive advantage. The purpose of talent management is to ensure that a institute has the right talent with the right skills at the right time. If higher educational institute is to respond to the changes in its market and environment, it will need to identify the type of staff and the skills they require in the future and these may be very different to those required in the past. Effective recruiting is the beginning of effective retention. Matching between tasks and talents is a challenging problem and it is essential for allocation efficiency that people get allocated to right occupations. Effective recruitment may include identification of key positions and turnover risks associated with these positions, and competency/behavioral-based selection criteria that support the retention strategy and business drivers.

Talent management is simply a matter of anticipating the need for human capital, and then setting out a plan to meet it. In addition to working on effective policies for recruitment, selection, performance management, recognition and rewards, education and development and the like, talent management exists to support an organization's overall objectives.

Talent management is a continuous process that plans talent needs, attracts the very best talent, speeds time to productivity, retains the highest performers, and enables talent mobility across the organization. In order to successfully balance the notion of talent supply with business demand, there must be a match between capabilities and needs.

Objectives of the Study

(a) To study the concepts of Talent Management (b) To understand the certain practices of Talent Management (c) To observe the Talent Management Best Practices in the Global Era (d) To understand Well-known Practices of Talent Management in India.

Research Design

The present study is of descriptive type. The entire study is based on secondary sources of data. The secondary data has been collected from books, journals, souvenir and websites. In order to fulfill constructed objectives of the present study, the secondary data has been assembled. From HR perspective, the effective employees' reflect behaviour in institute like -

(a) Belief in the organization and its objectives; (b) Desire to work to make things better; (c) Proper understanding of the business context; (d) Being respectful and helpful o colleagues; (b) A willingness to go the extra mile and Keeping updated with recent developments.

The HR department is integral to making the program successful. Once the senior management of an organization has defined its vision and mission statement, the HR department should work in alignment with them in a six-step process.

(1) Facilitate in designing the ideal culture of the organization. (2) Create a staffing strategy. (3) Create a learning organization. (4) Create a rewards and incentives program. (5) Create a performance management system that measures what matters. (6) Create an aligned promotion process.

The Focus of Talent Management Individuals get motivated by different value propositions. To keep the workforce motivated, organizations today have to adopt certain practices which are as follows:

(1) Capacity to learn [measured as Learning Quotient (LQ)] Enhancing an individual's capacity to learn improves the person's awareness towards his work. **(2)** Capacity to think [measured as Conceptual Quotient (CQ)] Enhancing an individual's capacity to think helps the person not only learning for a higher level, but also improves Creativity, Analysis and Judgments. **(3)** Capacity to relate [measured as Relationship Quotient (RQ)] Another important capacity for an individual is to be able to relate to his learning and thoughts. This comprises of Listening, Empathizing and Trusting. **(4)** Capacity to act [measured as Action Quotient (AQ)] Action is an individual's ability to enact his intentions - ability to organize his time and resources in order to convert intentions into reality. Implementing includes focus on the right process. Performing under pressure is another component which talks about ability to work under any circumstances.

Thus: (LQ + CQ + RQ + AQ) X Values = Talent

Thus, the sphere of influence of talent management not only focuses on development of individual's intrinsic capacities, but also on culture building, which provides the other elements, listed above for manifestation of talent into performance.

Talent Management Best Practices in Global Era

Every organization struggles hard to meet the global market competition for its success, and hence the War for Talent. Creating enriching workplace experiences to attract and retain the high caliber is needed. Therefore, it is important for organizations to moot retention as first priority and recruitment second place. There are several key practices to be followed by organizations. They are as follows.

Experience based learning: Most of the organizations define Job Description to their employees very narrowly and they have no access with others, which makes them boring and monotony in their work. If the organizations relax them for some time and have exposure to innovative things, they will give rise to the increased output, as well as retention.

Mentoring: A particular form of relationship is designed to provide personal and professional support and guidance to an individual, wherein specific issues and ideas can be discussed and developed. Mentoring is required to a new employee, so that, organization can avoid job hopping.

Business focus: Organizations are linking key business initiatives with talent management principles to rapidly address new business opportunities and challenges. After years of paying lip service to the concept, now they have realized that ¯their workforce is their greatest asset . By increasing productivity and motivating workforce behavior, talent management leads to higher levels of organizational performance.

The Swift in Workforce: Today's greatest challenge lies in aligning the right people with the right skills and identifying the competencies of the workforce. Organizations need to forecast the current workforce and assist in enabling the execution of business plans that manage the supply and demand of talent.

Developing Business Leaders: Developing leaders with a shared vision can empower the workforce, whilst instilling organizational values and personal accountability, by understanding the macroeconomic trends and role of emerging technologies.

Employee feedback is an effective tool: Organizations have to emphasize on feedback from the employee about various aspects of the organizations, e.g. Corporate Culture, Work Environment, Training Programs, Compensation and Supervision, etc. These feedback surveys offer invaluable insight into employee attitudes and opinions that can ultimately affect employee retention.

Interaction with management is imperative: For effective talent management practices, it is essential to involve the top management and practice it at the strategic level.

Importance of Organizational Culture in value based Corporate System.

Organizational culture assumes immense significance as a central theme for attaining competitive advantage. Organizational culture is hypothesized to play a decisive role in the development of a unique corporate identity, which in turn provides organizations with the opportunity to leverage their corporate identity to achieve strategic leadership. Cultural influences have a strong bearing on the character and persona of an organization.

Peters and Waterman (1982)13 have opined that excellent companies focus on building an enabling corporate culture. Organizational culture is defined as shared managerial beliefs and assumptions about employee nature and behavior.

Deal and Kennedy (1982)14 define organizational culture as the way things get done around here. Schein (1990)15 describes it as a set of shared assumptions, values, beliefs and expectations shared by organization members. Ouchi (1981)16 puts it as a set of symbols, ceremonies, and myths that communicate the underlying values and beliefs of an organization.

Robbins (1988)17 indicates that it takes a long time for culture to form and once established it becomes entrenched. Therefore, the culture of an organization should be treated as an important influence on employees' behavior. Culture conveys important assumptions and norms governing activities and goals.

Role of Performance Management System in relation to Talent Management System

The Talent Management System (TMS) is an effective tool for creating a symbiotic relationship between talent and the organization to dramatically accelerate performance improvements. Performance management is the process of creating a work environment to perform to the best of ones abilities. Performance management is a whole-work system that begins when a job is defined as needed.

A performance management system includes Selection, Job description, setting performance standards, providing effective orientation, education, and training with on-going coaching and feedback. By conducting quarterly performance and rewarding people for their contribution to organization also helps in their career development, coupled with exit interviews to understand WHY valued employees leave the organization. It is a combination of task and competency evaluation based on predefined parameters for each role. This system integrates with the reward systems as well as with the training systems (Farah Naqvi 2009)

ork-life Balance in relation to Talent Management

There is no agreed definition of work-life balance, but it does appear that the right' balance for one person may differ from the next. Work-life balance, in its broadest sense, is defined as a satisfactory level of involvement or fit' between the multiple roles in a person's life. A good work-life balance means something simple - to work to support Life, and not the other way round. Work-life balance policies can assist employees achieve a balance between their work and personal commitments. Our work and personal lives change across the life span with associated responsibilities, and thus the need for work-life balance policies, change all the time.

alent Retention as a challenge. Recruiting the best and talented employees is one of the most important HR functions. But, the major duty of and challenge for any HR Manager is to retain their organization's high performers.

Especially in this Global era, retaining the Human Resource calls for special skills and strategies. Hence, retaining employees is the key for any business success. It is a major challenge for organizations to retain skilled employees once they have been hired and trained. In addition to reasons like lack of growth opportunities, low pay packages and inability to adapt to the organization, high turnover has also been identified as a cause for higher attrition rate.

Investing in staff is far less expensive than replacing them, whose estimated cost is about one-and-a-half years of a departing staffer's annual salary.

Well-known Talent Management Practices in India

Align Goals and Track Everyone's Progress - You need to make sure that every employee's goals are aligned with organizational goals. You also need to regularly monitor progress on goals so you can take corrective action as required. Finally, you need to be able to quickly and effectively communicate any change in focus, priorities or tactics

Conduct Regular Employee Reviews to Keep Employee Performance On Track - Employee performance reviews give employees an opportunity to talk with their manager about what they are doing well, areas for improvement, skill gaps, career plans, goals, competencies, development needs and more.

Provide Ongoing Feedback to Maximize Performance - Ongoing feedback helps everyone maximize their performance. It allows for quick corrective action, so managers and employees can address any issues while they are still small.

Invest in Performance-Based Development - Make sure you're getting value from your investment in employee development. Start from your employees' performance appraisals and use them to identify skill gaps, so you can be sure you're offering the right, targeted learning activities.

Conclusion

There is a tremendous change in human resources in the past decades. The reasons behind are the changes in technology and global economic environment. It is important for the organizations to develop adequate and appropriate plans and put in efforts to attract the best pool of available candidates, and also to nurture and retain the current employees.

Talents constitute the prime resource needed to reach the destination laid out in the

organizational goals and vision. Competencies, defined in terms of different levels required by different roles, can be considered essential criteria for success in the various roles or positions in the organization.

Since people generally do not like ambiguity with respect to their lives (personal as well as professional), the fact that, a structure that they can depend upon and make plans according to exists, frees up their minds to better focus on their jobs. People want to know what lies ahead for them in life. They want to have the road map to mark the way to their destination.

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Tab-Tailing At High Volume (Its Sound Well)

Dr. Shirish Tiwari
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Introduction

Internet has become an integral part of the people for various different purposes like remaining connected with people, accessing emails, buying, air, train tickets and ordering book, CD and so on. Internet is the key to the development of E-Commerce and has become insidious in daily life. People have come to rely heavily on internet for activities ranging from accessing email and searching for information to keeping in touch with friends' .It is very positive sign that this has been adopted by all age group people. The changing lifestyles of the people, especially from urban area, have also led many people relying on the internet for their shopping needs. The convenience of shopping from the comfort of one's home and having a wide product range to choose from has brought about increased confidence on the online medium.

Objectives

The ultimate objectives of this paper are as follows:

(1) To analyze the role of tablet in e-commerce in India. (2) Identification of challenges before tab-commerce. (3) To provide certain measures for the growth of tab-commerce in India.

Internet Penetration in Country

Internet is now a prime source of getting information, conducting commercial activities and various other works which has been completed through off-line prior to existence of internet.

Following pie chart describes the percentage level of internet users in some large countries of the world. Although it can be seen that penetration level of internet in India is comparatively less among certain large countries and prima facie it can sketch a picture of very slow growth in India and up to certain extent it is true but there is one very clear message in this chart that more than 80 % market of India is untapped and can be penetrate. This is the one of major reason that why foreign and domestic companies/service providers are searching new possibilities in India thus it can be said that India will be hub of e-commerce market in near future.

Percentage of Internet Users in Some Large CountriesGrowth of E-Commerce Market

The e-Commerce market in India has registered phenomenal growth of almost 50% in the last five years. The considerable rise in the number of internet users, growing acceptability of online payments, the proliferation of internet-enabled devices and favorable demographics are the key factors driving the growth Story of e-Commerce in the country. The number of users making online transactions has been on a rapid growth trajectory, and it is expected to grow from 11 million in 2011 to near about 40 million in 2015.

Following bar diagram shows the share of e-commerce in whole commerce in India in last few years. This can be seen that there is slight slow but consistent growth in e-commerce business of India which is enough to draw a sketch of rosy picture of e-commerce business.

Services Provided Under the Various Modes of E-Commerce

E-Commerce transactions can be segmented into three broad categories based on participants involved in the transaction.

The B2C market in India generates the bulk of revenues across the consumer-facing modes of e-Commerce. India's C2C market, though currently small, but a substantial growth may take place with the entry of a number of players. The most common users of B2B online classifieds are micro, small and medium enterprises (MSMEs).

On the back of growing internet penetration and evolving consumer mindset, the e-Commerce space has touched new heights. The market was initially limited to print media dominated classified services. It has now expanded to include new internet-focused business models, e.g., group buying and community commerce.

Role of Tab in E-Commerce

Every phase of the living has been occupied by a different kind of piece of equipment at every step. This particular can be different from the TV for amusement to the computer that is used for official purpose in offices. The role, which is being done by electronic instruments in everyday life of human, is very significant and precious at the exact same time. These gadgets have not just assisted in simplifying the life of persons however; they also have added an element of comfort in to the lives of many people.

A new gadget is being introduced into the marketplace at frequent intervals and individuals are making use of them in order to easily simplify the daily processes that are taking place in their life. Every new gadget that is becoming used through individuals takes all of them one step close to the modern, hi-tech age.

A tablet computer, or simply tablet, is a mobile computer with display, circuitry and battery in a single unit. Tablets are equipped with sensors, including cameras, microphone, accelerometer and touch screen, with finger or stylus gestures replacing computer mouse and keyboard. Tablets may include physical buttons, e.g., to control basic features such as speaker volume and power and ports for network communications and to charge the battery. An on-screen, pop-up virtual keyboard is usually used for typing. Tablets are typically larger than smart phones or personal digital assistants at 7 inches (18 cm) or larger, measured diagonally.

Advantages of Tablet Pcs

(a) Portability – People can work from everywhere and small enough to put in handbags small weight - lighter than most laptops); (b) Smaller in sizes; (c) A flexible screen; (d) An attractive design; (e) The handwriting recognition; (f) Can be used as a GPS navigation device; (g) Gesture recognition; (h) A powerful pen recognition; (i) Ideal when person is in a conference; (j) Can be laid flat on the working surface; (k) Great and handy for note taking; (l) You can connect a keyboard to a tablet computer

but it is less portable in such a configuration;

(a) Surfing the web is much healthier within the tablet (b) A multi-touch tablet to interact with all the subject matter/menu material quickly; (c) Ease of use; (d) An effective learning and teaching enhancement tool; (e) Use as an interactive teaching aid for tutorials and external student consultation; (f) Provide a very powerful audio recording; (g) Connection to the internet from anywhere; (h) You can continue and finish their work while in transit; (i) Serve as an organizer to professional with much less paper on hand; (j) Good for a project presentation; (k) Longer battery lifetime;

Tablets are now the second most important device for driving traffic to ecommerce web sites. According to various research agencies tablet shares 7 percent of ecommerce traffic where smart phones has 5 percent share The iPad, by the way, accounts for 90 percent of tablet traffic.

They have large screens, are conducive to browsing, and can incorporate multimedia features better than smart phones. Rising number of people on the move, preference for a lighter device and better affordability are expected to drive an over 100 per cent growth in tablet sales in the country to 3.84 million this fiscal. Tablet sales in India, that is counted among the leading markets for sale of tablets and smart phones globally, stood at 1.90 million in 2012-13 fiscal.

According to MAIT's annual industry performance review, conducted by market research firm IMRB International, tablets are eating into sales of desktops, notebooks and net books. Tablets are cannibalizing the PC market and registering a phenomenal growth of 424 per cent in the second consecutive year. Tablet sales in 2012-13 stood at 1.9 million units against 0.36 million in 2011-12.

On the growth in tablet sales it can be said as an increasing number of professionals are working on the field or are travelling, tablets are a preferred devices as they are light and handy.

Tablets are here to stay and in the future more evolved versions will hit the markets. Sales of tablet computers in India are expected to at least double this year to 6 million, the market's third year of growth, as new devices attract business users and low costs draw consumers. With the launch of low-cost devices running on Google Inc's Android platform by local firms, sales of tablets and Smartphones have grown rapidly in the last two years. A slew of global makers of tablets have also entered the market.

In 2013, new tablets based on Microsoft Corp's Windows 8 platform and companies' adoption of tablets for business applications will change the market significantly again. India is the world's second biggest telecommunications market with about 900 million mobile phone accounts. But computer penetration is low, and only about a tenth of its 1.2 billion people have access to Internet.

Tablet Market in India

Tablet PC witnessed a massive growth figure of 424%. The sales for 2012-13 stood at 1.9 million units as against 0.36 million units in 2011-12. The change from PC era to the tablet era is happening because of low cost tablets. MAIT expects the market to touch 1.6 million units in the current financial year and grow to touch 7.3 million units by 2015-16.

With all this, it can be believed that the use of the Internet grows in the country, but technological challenges and scope of these technologies will determine who will connect, and how it will do.

Analysts predict this year, major changes in the way Indians use the Internet, whether for business or leisure. The country's challenge is to make cheap technology available to more people, especially the population in remote areas.

According to Alok Bhardwaj, President, Manufacturers' Association for Information Technology (MAIT) "The tablet market is the new blue-eyed growth opportunity in India. It is fast becoming one of the drivers of rapid growth in the IT content consumption and hardware sector in India." With the introduction of several national and international brands of tablet in India, the market is witnessing a revolution of sorts with these devices changing the way services are delivered in various other sectors such as education, healthcare and governance apart from retailing.

A key factor in the growth of tablets has been the encouragement from the government in adopting and developing low-cost options for use in villages and other rural areas. Many more people with the help of low-cost tablet are now accessing education and healthcare services. Thus, it can be said that tablets, being one of the cheapest devices available in the Indian market, has the potential that can transform the entire country.

By following statistics the growth and importance of tablet pc can be understand more clearly:

According to IAMAI, online retail clocked sales of nearly US$572 million in 2011 and accounted for 6% of overall internet commerce revenues in India (grew at a CAGR of 25% since 2007). The market is expected to witness rapid growth in years to come. While travel is the largest segment among all the internet commerce categories, internet retail would reportedly match the travel segment, by the value of goods sold, within three to four years and, thereafter, surpass it.

Online retail not only focuses on web capabilities but also on how well the peripheral aspects of online retail are taken care of. Online retail players pay as much attention to inventory management, logistics and warehouse management as they do to their online platforms. They need to invest time and money on all these. There is significant scope for online retail players to focus on new product delivery models and payment mechanisms, since customers are facing problems with the options available. The online retail market presents an attractive opportunity for entrepreneurs, since it is growing rapidly and still forms only a miniscule portion of organized retail. Moreover, there are a number of underpenetrated segments such as online groceries in online retail. Players also have opportunities in sectors impacted by online retail, e.g., logistics, in which last-mile reach is a problem. While organized retail players are attracted by opportunities presented by the online retail sector, they have critical questions pertaining to modes of entry, pricing decisions and Customer segmentation.

Challenges Of T-commerce

Technology is on its pace and changing the way, method and system of commerce and business. Technology evolution is helping organization to develop new devices, gadgets and mechanism through which commerce and business is now more consumer centric, and convenient. It is not just use of computers, networks, new technological innovations but it is also a positive change of customer's mindset, which has revolutionized the commerce and business in India.

Tablet pc is getting appreciation because of its, portability, handiness, and ease of operations. Still there are certain challenges, which are listed as below:

Customer Loyalty

Indian customers are noted for the high degree of value orientation. Such orientation to value has labeled Indians as one of the most discerning consumers in the world. Maximum output through minimum investment is the priority of Indian consumers. This can be observed in e-commerce especially in on-line retailing. E-Commerce players offer huge discounts to lure people to shop online. However, since Indian consumer looks for the lowest price before making a purchase, the cost of customer acquisition is high for these companies. Moreover, since a large number of players offer the same products at the same prices, switching cost is non-existent. Consequently, a customer's lifetime value is low. This poses a challenge for players in their effort to develop sound strategies to acquire and generate repeat customers. Therefore, Companies must try to create loyalty among customers by their services and products.

Changing Nature of Business Models

It has been observed that business models have been changing rapidly in the E-Commerce sector. This could be due to close competition and the inability of companies to sustain high costs. Some businesses, such as online DVD rentals, have gone into obsolescence; some companies in the online retail segment have shut shop due to their inability to sustain price wars with their competitors. Group-buying companies, which started by providing deals at high discounts, have now begun selling products. Therefore, companies in the E-Commerce space have to adapt to changing commerce models and innovate persistently to prolong their businesses.

Customer Acquisition

Reasons that were attributed to opting for any particular e-commerce retailer is quite similar as in case of offline factors like price ,quality and technology are the major ones. As for e-commerce, m-commerce, Tab commerce is concern to get people to come on an e-Commerce site and make a purchase involves heavy cost due to advertisement and marketing. This cost is significant and can be brought down to cost per customer.

Customer Regain

The retailers and the customers are the two ends of the marketing progression. Producers want to gain and retain customers to sustain themselves in market by providing efficient service and quality products to their customer. Customer expects value for money in terms of quality of product, efficient services and convenience in use. When customer compares the benefits of technology, terms and condition of use of goods and services from that offered by others at same price/input he would like to be known as a smart customer by this he would gain satisfaction. In the present competitive marketing situation the relation between producer and customer doesn't end after sales of goods and services only but also includes after sales services which helps in ensuring loyalty of customers. A large number of options, complex products and services, exposure through means of communications are creating awareness among the customers regarding market dynamics makes things complex. They would prefer effective interface with the organization to satisfy their curiosity. In this regard, a new concept has been arrived due to portability options, which now exist in certain services that is Customer Re-gain. As for these services is concern in order to increase market share successfully retailers, service providers has to be focus on regaining the customers whose are dissatisfied with their new retailer. Here it is noticeable that by regaining old customer retailers, service providers can increase the loyalty among existing old customer and can create loyalty among new existing customers.

Customer Service

Customer is pivot and whole marketing activities moves around him. In this regard it has been experienced that Customer service is something that is overlooked in the Indian context. However, in this dense e-Commerce market, excellence client support is going to be a big differentiator.

Information security

Due to the open nature of the Internet, there is increased security risk. For instance, when customers provide their credit card information over the Internet to purchase online, this data is at risk of being intercepted as it travels from a customer's site to the merchant's site. If the data is intercepted, the order can be stopped, the payment information can be altered or someone other than the cardholder can use the credit card information. So in order to maintain market position and increase share in market security of transactions is imperative.

Quality Of Software And Hardware

As we know, many companies are now producing tablet pc with different design, quality and size with various different software, applications and accessories. The quality of this hardware as well software must be updated and must be in accordance with various national and international standards.

(a) Hardware is prone to damage; (b) Traditional keyboards are much more comfortable than tab; (c) The screen size of tablet is too small in comparison with a laptop; (d) Higher cost; (e) Do not come with optical drives for use with CDs or DVDs; (f) Ineffective for the cognition of complex engineering concepts; (g) Potential screen damages and repair costs (more chances of screen damage to tablet PCs than to laptops; tablet computers are prone to problems like cracks, dead pixels, blown back-light bulbs and bad sensors); (h) Difficulties to work on the small screen as compared to larger screen size of the laptops; (i) Less number of ports; (j) Cannot embrace massive amounts of data; (k) The type and speed of the input process (inputs with tablet PCs become slower than those with laptops);

Suggestions

Management of Information Security

Information security is key element to create trust among customers .Robust security mechanism is essential to mitigate risk, which may arise due to various reasons. Six main security elements are required in an E-commerce transaction. From a consumer's perspective, they are as follows:

Honesty and Transparency

In so many cases, it has been observed that customers are dissatisfied with hidden charges and extra charges on services and products. This can be removing by preparing a virtual rate list with terms and conditions of product and service.

Customer Convenience Must Be High On Cards

Customer wants value for money and producer sustainability in market with profit. So it is first and important condition for the growth and success of e-commerce, tab-commerce that retailer, producer must try to satisfy their customers with quality of products and service.

Extra port and facility for DVD and CD recognition

Awareness About Dynamism Of Market And Customer Preference

Conclusion

India is at the cusp of a digital revolution. Declining broadband subscription prices, aided by the launch of 3G services, have been driving this trend. This has led to an ever-increasing number of "netizens." heights in coming years, not just because of India's rising internet population, but also due to changes in the supporting ecosystem. Players have made intensive efforts to upgrade areas such as logistics and the payment infrastructure. Furthermore, the Indian consumer's perception of online shopping has undergone a drastic positive change. Tab is an advancement In the field of commerce .Increasing use of tablet will also increase the proportion of on-line retailing in overall retailing and ultimately organized retailing will grow up. Proper security measures, bonafide intention and transparency are the key elements to create, retain and regain customers in present highly competitive era.

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A Study Of Socio-Economic Conditions Of SC Charmkar Community In Maharashtra

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Introduction

The history of categorizing some castes as Scheduled Castes commenced with the Government of India Act, 1935. This step, on the part of the then British Government, was meant to treat the most oppressed and exploited castes with a degree of special political dispensation. Most of these castes were known as 'untouchable' in the context of the Hindu social structure. Thus, the 'Scheduled Caste' category initially comprised castes that were isolated and disadvantaged by their 'untouchability', i.e. their low status in the traditional Hindu caste hierarchy, which exposed them to an oppressive life, characterized by a blatant deprivation of opportunities. In Maharashtra the Scheduled Castes (SCs) form a sizeable part of the state's population. Not all SCs are former untouchables. Some of the castes and sub-castes, classified as 'Scheduled Castes' during the 1970s and 1980s, were non-untouchables who did, however, have a history of deprivation. Scheduled Castes are known by different names in different parts of the state and comprise many sub-castes and communities. Human development, as a concept, will have little value or significance until the human development levels of disadvantaged people, particularly of the Scheduled Castes and Scheduled Tribes are raised to the levels of those of the dominant classes. Both the Central and the state governments have implemented policies directed at the socio-economic empowerment of the Scheduled Castes and Scheduled Tribes (STs). The term Charmakar is of Sanskritic origin meaning leather worker. The Charmakar is an occupational group, which can be traced from early Rigvedic times, in latter Vedic literature and in Brahmanas. During Aryans period Charmakar lived on outskirts of villages because of their lowly polluting occupation of making leather articles. There are several myths of Charmakars practicing leather occupation, but there is no consensus on origination of Charmakars. During the Buddhist period the Charmakar enjoyed better position as craftsmen, but later on their status declined. The Charmakars as occupational group are all over India. In Maharashtra they are referred as Chambhars. The term Charmakars is used in more refined way to Chambhars. In the village structure the Charmakar was Balutedar, they make new shoes, chappals etc. and in return they used to receive food grains.This system persisted until Britisher's arrival. Further the process of urbanisation and Industrialisation changed traditional structure to a greater extent. The Charmakars are in a process of social, occupational, economical, educational and political transition.

Rural and urban distribution

The majority of the SC Charmakar Community population resides in rural areas, but its share of the rural population has been declining from census to census. Out of an 8.56 million SC population (in 2001), about 75 per cent live in rural areas. The proportion of the rural SC Charmakar Community population is lower than that of other SC and STs.

Sex ratio

The sex ratio of the SC Charmakar Community population (973) is better than that of the other SC & STs and much better than that of the total population (965). It is also higher than the sex ratio of SCs at the all-India level (936). In the last decade, the sex ratio of the SC Charmakar Community in the state has shown a marked improvement, increasing from 962 in 1991 to 973 in 2001, as compared to a lower increase in the sex ratio of the total population from 960 to 965 in the same period. This trend assumes considerable significance, especially when it is juxtaposed with the fact that the literacy level of SC Charmakar Community, particularly women, is much lower than the general population. It suggests that son preference is less vigorously pursued as a desirable objective among the SC Charmakar Community. An unfortunate trend is the low urban sex ratio (961) while the rural sex ratio is a high 977.

Indicators of Economic Development of Scheduled Caste Community in Maharashtra

Land, employment and income

In most parts of India, there is a correlation between economic status and the structural position of castes. The reason is that, historically, higher castes had better access to occupations, income and assets than lower castes. In Hindu society, occupation was one of the defining features of the caste hierarchy, with socially valued occupations bestowing high socio-economic status on caste members. In the modern context, there has been a loosening of the caste – occupation linkage. A dynamic occupational shift has not occurred however and high-end jobs continue to be the preserve of the 'upper' castes and, now, increasingly, high-income classes. Government policies have ensured that there has been a significant degree of occupational diversity among the SC Charmakar Community but a large percentage of the SC Charmakar Community population, still constitutes a sizable chunk of the low income population with poor human development indicators.

Land ownership patterns

Scheduled Caste ownership of agricultural land is minimal and the majority of landholders have small and unviable holdings. Progressive policies such as the Maharashtra Land Reforms Act 1961 and various administrative measures of the government under this Act and Rules, have made it possible for many SC Charmakar tenant cultivators to become owners of land. Land ownership does not necessarily mean an increase in income for two reasons: (1) SC Charmakar Community holdings are small and (2) Unviable and the land they own is not irrigated.

Employment

Since data on employment in the primary, secondary and tertiary sectors for the 2001 census is not yet available, the following analysis is based on the 1991 Census data. Scheduled Caste Charmakar workers are heavily concentrated in low paying agricultural activities and other occupational positions. They are yet to create space for themselves in high-end occupations. This situation is applicable not only to the SC Charmakar Community in Maharashtra but also to the SC Charmakar Community of other states with only a difference of degree. Among the three major sectors — primary, secondary and tertiary — representing agriculture, manufacturing and services, the distribution of SC Charmakar workers in Maharashtra was 78.83 per cent, 10.43 per cent and 10.74 per cent for each sector respectively.

Income and expenditure

Although poverty is linked to the income and asset position of people, many other social and cultural factors shape the state of poverty in a particular society. All poor people cannot be viewed as a homogeneous class since the forms of deprivation they encounter are infl uenced by differentiated forms of inequity arising from caste, gender or even geography. Not only do the Scheduled Caste Charmakar Community suffer from a lack of social resources, they have also been denied access to both material and cultural resources. They have experienced, in addition to material deprivation, social exclusion, which is manifested in their poor access to human development.

Source of income

Scheduled Caste Charmakar Community households are only 15.4 per cent of the total number of households reporting income from cultivation in rural Maharashtra (NSS 55th round, 1999-2000). This is less than the proportion of the other backward classes or OBCs (40.6 per cent) and other households (36.3 per cent). Scheduled Caste households that earned their income from fi shing and other agricultural enterprises in rural areas constituted 14 per cent, which is also less than half of OBCs (40 per cent) and other households (38.6 per cent). Among the households engaged in non-agricultural enterprises, SC households constituted a mere 10.9 per cent which is not a happy situation, compared to the proportion of OBCs (47.5 per cent) and other households (38.8 per cent) engaged in non-agricultural work. Good sources of income for rural SC households are wages and salaried employment (26.8 per cent) and pensions (27 per cent) with the latter comprising the single largest source of income for SCs who are also the single largest group of beneficiaries. The term 'pension' includes many social security measures such as old age pensions, widow's pension, and pension for the disabled and so on. Disparities also exist in urban Maharashtra between SC households and others.

Income and expenditure patterns

Analysis of the income levels of SCs reveals a wide gap among those living in urban areas compared to their counterparts in rural areas. The annual per capita income of rural SCs was Rs.5,000 as against Rs.12,778 of urban SCs. The percentage of BPL families in the rural SC population was 37 and 25 in the urban SC population.

Housing

In the 1991 Census terms such as 'pucca' and 'kutcha' were used to describe the quality of housing. The 2001 Census replaced these terms with 'permanent', 'semi-permanent' and 'temporary' to describe the quality of houses. NCAER's survey data (1994) states that about 85.5 per cent of the SCs in Maharashtra had kutcha houses while Hindus and Muslims who owned kutchahouses accounted for 74.3 per cent and 73.9 per cent respectively. About 54 per cent of SC houses had separate kitchens compared with about 67.3 per cent for Hindus and 57.6 per cent for Muslims.

Drinking water

In terms of safe drinking water, the Scheduled Caste population seems to be better placed than the non SCs, not only in Maharashtra, but in other southern states as well, based on data in the 1991and 2001Censuses. This holds good for rural, urban and combined areas, the exception being Andhra Pradesh for urban areas.

Sanitation

Sanitation in Maharashtra did not receive much policy attention for many decades, and therefore, its status for several indicators is not as good as in the neighboring states. The 1991 Census showed that a mere 9.24 per cent SC households in Maharashtra had latrine facilities, compared with 26.97 per cent non-SC households. During 2001, 21.18 per cent SC households had latrines compared with 40.80 per cent non-SC households that had latrines. Household sanitation has registered an improvement insofar as SC households are concerned, but a wide gap still exists between SC and non-SC households. The rural–urban disparity is quite high in SC households. In 2001, only 10 per cent of rural households had latrines, but the scenario was better for urban households (54 per cent).

Electricity

Maharashtra has performed well in the provisioning of electricity to SC households. It is the first among the southern states to do so, and this is an outcome of some very pro-active interventions to provide free electrical connectivity to SC and ST households.

Healthcare

Several indicators are used to evaluate the quality of health of people. Unfortunately, data on many health indicators is not available on a regular periodical basis for SCs, except for NFHS surveys. The sample size of SRS (Sample Registration System) or RCH survey (Reproductive and Child Health) in the state and country should be enlarged to allow for estimation of key indicators for SCs and STs.

Literacy and education

Literacy Education plays a crucial role in empowering the poor and the marginalised everywhere. Literacy and higher levels of educational attainment are associated with an improvement in demographic and health indicators. Access to education enables people to exercise their constitutional and legal rights in a judicious manner. Gender inequality has been known to decline as women's access to education is enhanced. The liberating dimensions of education assume special signifi cance in the context of people who have been denied access to learning and, through learning, economic mobility by oppressive socio-cultural ideologies. The Scheduled Castes in Maharashtra have a long history of receiving strong support from the state, commencing with the benevolent policies of the princely state of Mysore where, in 1919 the Scheduled Castes (known as 'Punchamas') got admission in all schools despite protests from the upper castes. By the 1920s a small but signifi cant number of SCs had entered government service and statistics showed that there were 165 Dalits among a total of 4,234 employees in 1918 (about 3.8 per cent). After Independence and since its formation in 1956, Maharashtra has pursued policies that have encouraged SCs to enter the education mainstream. Despite these pro-active interventions, the performance of SCs is nowhere on par with the general population. Education

State policies

As seen in the preceding paragraphs, state programmes in provisioning housing and electricity to SC households have resulted in a visible improvement in living conditions. The Department of Social Welfare has a large number of schemes, which can broadly be categorised as 'Employment Generation Programmes' and 'Minimum Needs Programmes'. Despite the multiplicity of schemes, many of which have small outlays, the bulk of the expenditure on programmes goes to payment of scholarships, construction and maintenance of hostels and residential schools and training for employment.

Recommendations

1. Poverty reduction programmes must focus on social empowerment instead of being stand-alone programmes. The SHG strategy, which has begun to emerge as the main vehicle of socio-economic development for women, offers multiple inputs and not just wages: communication skills, vocational training, awareness about literacy and health, participation in community and political processes, all these are inputs that the SCs need as they are poor, marginalised and voiceless. In addition, poverty reduction programmes must target the SCs because so many other deprivations arise out of income poverty.

2. While education under Sarva Shiksha Abhiyanis poised to increase enrolment and reduce dropouts in a signifi cant way, many schemes intended for SCs obviously do not have the desired outcomes. A school level tracking system of dropouts, in collaboration with gram panchayats and CBOs followed up with counselling is advisable. The low enrolment of SCs in tertiary and professional education is a matter of concern. Residential schools such as the 'Morarji Desai Residential Schools' have been successful in creating high achievers among poor, rural children and their role should be extended and strengthened.

3. In health, poor nutrition is a function of poverty. The high IMR and MMR of SCs should be tracked separately to ensure that policy interventions focus on this vulnerable group. Pooled funds can be deployed more intensively in interventions designed to reach these populations.

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Perception Study About Customers For Banking Services

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Introduction

Banking institutions are facing competition not only from each other but also from non-bank financial intermediaries as well as from alternative sources of financing. Another strategic challenge facing banking institutions today is the growing and changing needs and expectations of consumer in tandem with increased education levels and growing wealth consumers are becoming increasingly discerning and have become more involved in their financial decisions. This pare instigates the factors which are affecting the of e-perception banking services among the customer and also indicates level of concern regarding security and banking services among the customer and also indicates level of concern regarding security and privacy sissies in Indian context services among customer in India. The finding depicts many factors like security and privacy and awareness level increased the acceptance of e-banking services among Indian customers. The finding shows that if banks provide them necessary guidance and ensure safety of their accounts. Customers are willing to adopt e-banking

Electronic banking (e-banking). Also known as internet banking is defined as the automated delivery of new and traditional banking products and services directly to customers through electronic, interactive communication channels (Daniel, 1999; sathye, 199). E-banking includes the systems that an able financial institution customer, individuals or businesses, to access accounts, transact business, or obtain information on financial products and services through a public or private network, including the internet. Customers access e-banking services using an intelligent electronic device, such as a personal computer (PC), personal digital assistant (PDA), automated teller machine (ATM), kiosk, or touch tone telephone, Chou and Chou (2000) identified five basic services associated with online banking :view account balances and transaction histories; paying bills; transferring funds between accounts; requesting credit card advances; and ordering checks for more faster services theta can be provide by domestic and foreign bank.

e-banking reaps benefits for both banks and its customers. From the banks'perspective,e-bankig has enabled banks to lower operational cost through the reduction of physical facilities and staffing resources required, reduced waiting times in branches resulting in potential increase in sale performance and a larger global reach (surreal and mamorstein,2003). From the customers'perspectie, e-banking allows customers to perform a wide range of banking transactions electronically via the bank's website anytime and anywhere (grabner-kraeuter and feculent, 2008). In addition, customer no longer are confined to the opening hours of banks, travel and waiting times are no longer necessary, and access of information regarding banking services are now easily available (hamlet, 2000). However the success of e-banking isn't without its problems. Firstly the adoption of e-banking has not kept pace with that of internet usage (white and nettle, 2004). This gap is attributed to the lack of trust among bank customers, particularly among internet users age 65 and older (llett, 2005; primal and shanmugam, 2005). Secondly, customer still prefer face to face interaction (ashier, 1999)due to reasons such as fear of the online environment and lack of trust in the internet, recent literature n e-banking showed that the formation of trust can help reduce the impact o key inhibiting factors such as fears about using the online service among non-e-banking customers (vatanasombut et al., 2008)

I India, ICICI bank was the first bank which offered this delivery channel, by kicking off its online services in 1996 other private sector banks like citibank,indusland bank and HDFC and timesbank (now part of HDFC bank) started offering internet services in 1999 stat bank of launched its services in july 2001 other public sector bank like bank of baroda. Allahabad bank, syndicate bank and bank of India, also rolled its services during the same time banks in India current offers "fully transactional website" to their customers. The customers would conduct a variety of transaction through internet banking fadcility which includes: account summary, details of historical banking transactions, funds transfer, loan applications, bill payments, cherub book request, cherub status enquiry, stop cherub request, credit card payments statements, facilities to contact account managers,etc and investigate how customers perceive

Literature Review

Following the boom of new technologies such awes the internet and mobile phones in practice, e-banking has also been the focus of numerous academic papers adoption, perception nod usage of internet banking by consumers is one of the topics heavily examined in e-banking literature. Centavo (2004) argues theta seeped, the convenience of remote access, 7/24 availability and prices incentives are the main motivation factors for the consumers to use internet banking.Durkin,etc. (2008) notes theta the simplicity f the products offered via internet banking facilitates the adoption of internet banking by consumers. Cali sir and gumussoy (2008) compare the consumer perception of internet banking and other banking channels and report that internet banking. ATM and phone banking substitute each other. Maenad at.al. (2008) examine the consumer perceptions of internet banking in Finland and their findings indicate that familiarity had a moderating role in the perception.Fuerreo, teal. (2007) examine the usage of internet banking by Europeans and their result indicate that ownership of diverse financial products and services. Attitude towards finances and trust in the internet as a banking channel influence client' usage of internet banking. Confirming other papers. So hail and shanmugham (2003)document accessibility of internet, awareness of e-banking and resistance to change are found to be influencing Malaysian's use of internet banking. Another factor that promotes clients usage of internet banking is seller support (nilsson,2007).

Perceived risk was one of the major factors affecting co consumer adoption, as well as customer satisfaction of online banking services (polatoglu and eking, 2001). Perceived risk usually arises from uncertainty. To how croft, et.al. (2002) the principal characteristics that inhibit online banking adoption are security and privacy. In Malaysia it was found that security was main barrier to e-commerce expansion. Security is perhaps the most feared problem on the internet. Banks and customer take a very high risk by dealing electronically (mufti 200; chug and painter, 2002) it is noted that although consumer's confidence in their bank was strong, yet their confidence in the technology was weak (rob off and chorales, 1998). Today's consumers are increasingly more concerned about security and privacy issues (how croft et al. 2002).

Methodology

Data were collected from 200 bank customer of SBI purposive sampling method was used in the selection of the sample respondents. The survey instrument used in the study was made up the dimension which measures the acceptance of e-banking among Indian customers. The variables were measured using multiple items.

Research Fingdings

Banking customers. It is followed by ' responsiveness of service delivery (speed and timeliness)" ,"ease of use". "credibility of the bank ", and "product variety". Actinic et al. (2004) find that the selection of an internet banking service provider is effected by security, reliability and privacy. Security, which involves protecting users from the rich of fraud and financial loss, has been another important issue in safe use of the internet when conducting financial transactions in Saudi Arabia (so hail and shaikh,2007) (so hail and sheikh, 2007). Much work has not been done in India with regard to internet banking issues. The present study intends to know the factors affecting the acceptance of e-banking by the customers and also indicates level of concern regarding security and privacy issues in Indian context.

Customers are not used to accessing the internet frequently, and if the do not trust the internet as a secure environment to conduct financial transactions, then it is nearly impossible for them toy accept online banking. Therefore, the following hypotheses were adopted:

- Security and trust has significant impact on adoption of e-banking among customers.
- Innovativeness has significant impact on adoption of e-banking among customer.
- Familiarity has significant impact on adoption of e-banking among customers.
- A wariness has significant impact on adoption of embanking among customers.

Table 1 present the demo graphic characteristics of the 2002 respondents. About 67 percent of the respondents. Are males and 33 percent respondents are females. Table 1 also shows that all respondents are adults with 39 percent of the respondents in the age group of 20-30 years, 30 percent between 30-40 years. 20 percent between 40-50, 10 percent above 50 years and one percent being less than 20 years the highest category using online banking services were graduates (45 percent) and were earning a monthly salary of Rs. 10.000-30.000.

Conclusion

In a country like India, there is need for providing better and customized services to the customers. Banks must be concerned about the attitudes of customers with regard to acceptance of online banking. The importance of security and privacy for the acceptance of internet banking has been noted in many earlier studies and it was found that people have weak understanding of internet banking, although they are aware about risk. The present study shows that customers are more reluctant to join new technologies or methods that might contain little risk. Hence, banks should design the website to address security and trust issues. The recommendations to the banks are that they have to increase the level of trust between banks' website and customers.

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Use Of ICT For Traditional Knowledge Management

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Abstract

Traditional knowledge from one generation to next generation is transfer mannualya and in traditional way, in which knowdege transmission is depends on first generation person as well as second geration person. If way of knowledge transmissioin or communication is changed by impartin ICT, it shall more efficenet and effictive for knowledge distributer and reciver too. In this paper we are praposed a model through which knowledge distributer will store his knowledge in storage media, and reciver or next geration person shall recive after compiling or processing same knowledge from more than one distributer. Note that storing knowledge and processing from multiple sources is a part of Information Communication Techninology (ICT).

Keywords

Knowledge, ICT (Information Communication Technology), traditional, management, processing, geration, community, stoarage

Introduction

Today knowledge plays vital role in survival. Knowledge helps to make survival more efficient. Knowledge also help to increase value of a person.

Knowledge is build after processing / compiling data and applying various testing. Generally, processed data refer as information. But after processing data from many levels and testing or used for long time, furnished thing is consider as knowledge. For example how to prepare soil pots is become knowledge for potter. This skill is refers as knowledge since it come from one generation to next one. Or first generation acquire it after so may trials for long time, that is after processing number of times and long time.

If first generation of potter would not pass it to second generation, then second generation may need to trial from start for long time. On other hand if first generation of potter passes their knowledge of making soil pot to second generation, second generation would not spend their time to get same knowledge, instead they would start to acquire additional knowledge, and shall progress more as compare to first generation. This way knowledge pass from one generation to next generation, and each generation improve it.

Information Communication Technology shall play important role to communicate knowledge from one generation to next generation. There are many advantages of passing knowledge from one generation to next with the help of ICT.

Objective of the Study

Generaly knowege passes form one genration to next geration, this knowege should pass without loss and expeced that next geration should improve it by practice and pass improved knowege to third geration and so on.

Review of Litreture

Edwards, et al (2005) identified different types of ICT support for knowledge management to include (AI-based conventional) case-based reasoning, computer-supported cooperative work, expert systems, genetic algorithms, intelligent agents, knowledge-based systems, multi-agent systems, neural networks, “push” technology. Conventional ones include bulletin boards, data mining, databases, data warehousing, decision support systems, discussion forums, document management, electronic publishing, email, executive information systems, groupware, information retrieval, intranets, multi-media/hypermedia, natural language processing, facebook/people finder/”yellow pages”, search engines, workflow management.

Analysis

Information Communication Technology

ICT is technology which helps to transmit or communicate information from one location to another location, erespect to distance or time between source and destination. Meanwhile after received from source and deliver to destination, ICT store or hold data safely.

Means ICT is not only responsible to grab and transmit data from source to destination but also have facility to hold data for long period safely. Internet is one tool of ICT, similar to internet, networking at local level, mobile computing, cloud computing etc are various tool of information communication technology.

Traditional knowledge management

Traditional knowledge management requires friendly cultural understanding and sensitivity for the sociaty. Appropriate traditional knowledge management requires trust and established relationships between both. The confidence involved in sharing traditional information is not easily obtained. Turning point of knowege sharing and building relationships, which are foundational to working with first geration and next geration for sharing information. We understand that obtaining and managing traditional knowledge takes time. We respect timelines of all clients and groups with which we work. We have also found that cross cultural education is imperative in understanding different perspectives.

Way of Knowkege sharing in community

In every community, people were seen as a key element of knowledge management, particular emphasis being given in all community to training and retention, with an explicit recognition that knowledge was routinely lost through first geration after he die. Training was arrange time to time to ensure that existing knowledge was shared among member of newer geration. The lack of consideration at all level of community to the processes necessary for knowledge management was marked in all communities, particularly as they were all significantly knowledge–dependent for their success. The main emphasis in perticuler community appeared to be on processes for acquiring and sharing knowledge and information. There was less evidence of retaining and using the knowledge. Knowledge management was however perceived as being everyone's problem.

Corelating traditional knowledge mangement and ICT

Knowledge from many peoples of first geration is stored or hold at some place / palces with the help of Information Communication Technology(ICT). And knowledge gerated by many sources of first geration is shared by any one person of second geration. That is there will be one to one relationship from source to ICT, and many to one relationship at destination (second geration) from ICT to destination.

Conclusion

Traditioinal way of sharing knowledge from one geration to next one was leads to loss of information. Also it was not too effective and communcation was not effiienct one. But storing, processing and communication of knowledge is more efficiednt and effective with the help of ICT, and there is no chance to loss of knowledge.

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E-Banking Transactions Systems - A Study Of Select Banks

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Introducation

E- Banking or Online banking or Internet banking, In simple terms it does not involve any physical exchange of money, but it's all done electronically, from one account to another, using the Internet. From a personal computer, you can access your bank account information, and perform many banking functions, like transferring money, making a loan payment

E-Banking

Electronic or Internet banking in India began taking roots only from the early 2000s. Electronic banking or internet banking services are offered in three levels. The first level is of a banks information's website, where in only queries are handled, second level includes simple transactions websites, which enables customer to give instructions, online application and balance enquires. Under simple transactions websites, no fund based transactions are allowed to be conducted; internet banking in India has reached level three, offering fully transactional websites which allows for fund transfer and various value added services.

Internet banking possess the high operational security and legal risks . This has restrained the development of Internet Banking in India .the guidelines goverining internet banking operations in India covers a number of technological, security related and legal issues to be addressed in related to electronic banking, According to the earlier guidelines, all electronic banking services had to be denominated in local currency, but now even foreign exchange services , for the permitted underlying transactions can be offered through electronic banking.

Recent Trends in Banking

Electronic payment services_- (e-cheques)

Electronic checks (e-cheque) are similar to regular checks and they are used mostly inB2C . Here is how they work

1. The customer establishes a checking account with a bank
2: The customer contact a seller buys a products or service and email an encrypted electronic cheque
3. The merchant deposits the checks in his or her account, money is debited from the buyers account and credited to the sellers account

Electronic Funds Transfer System

The launch of the electronic funds transfer mechanisms began with the electronic funds transfer (EFT) System. The EFT System was operationalised in 1995 covering 15 centers when the Reserve bank managed the clearing houses**.** Special EFT scheme a variant of the EFT system was introduced with effect from the April 1 2003 in order to increase the coverage of the scheme and to provide for quicker funds transfer, was made available across branches of banks that were computerized and connect via internet enabling transfer of elctroninc massages to the receiving branch in a straight through manner (STP processing)

Objective of the study

The following are the objectives of the study.

- To examine the present E-Banking Trasactions Security System Provided by Different Banks
- To estimate the impact of Safe mode of Transaction on E-Banking Transactions System

Review of the literature

There is a growing amount of literature review on the relevance of effective Customer Relationship Management system for the success of modern service organization in general banking sector particularly. Although, several research are studies a bound on Customer Relationship Management (CRM) practices of the Indian Banking sector , the following studies have influenced the present research study . Review of literature on various research studies that the focused on the consumer needs preference and CRM system demonstrated that the effective customer services is the key to success in the Indian banking sector

Rengasamy and Vijay a (2006) conducted a research on the service quality and CRM related issues among the private Public and Foreign banks in India and examine the level of customer service awareness among the selected Public Sector Banking Customer. The research study identified the best banking sector which provided a Qualitative Customer Service. The study also focused on various dimension pertaining to Quality of customer Service in term of banking personnel , convenient, working hours, web-based Services , errors free value-added services and efficient grievance redresses mechanism. The results indicated that the Foreign and the new generation private sector banks served the customer better. It was concluded that it is high time that public sector commercial banks in India reckoned with the customer service delivery challenges.

Rajnish & Sangeeta (2005) concluded a survey to find out the effectiveness of CRM Systems in the hospitality Industry in India on the random sample of 1200 executives, who had an experience of staying in the hotels .The data was collected using a standardized scale of the CRM effectiveness Containing 33 items developed by the authors the data was analyzed using Principal components Analysis of the factor by Varimax Rotation Method. The result revealed that infrastructure, facilities, technology process and above all human touch is regarded as integral elements in creating a delightful customer experience. The factor Analysis of the responses revealed that the effectiveness of CRM Program in Hotel Services in India is governed by nine factor-value Proposition , Recognition , Customer Orientation , Reliability , Relationship Orientation, Credibility, Customization, Personalization and creatures.

Research Methodology

Sample design

Selection of Banks in Hyderbad.

- Firstly identification of Bank Customer
- Secondly identifiy online customer that will be selected randomly

Place of Study

E- Banking, Net banking or Online Banking Customers will be identified in and around Hyderabad.

Sources of Data :

The study makes uses both secondary and primary data.

Primary Data :

Primary source of data will be the Banks Customers

Secondary Data:

Secondary source of data will be from Journals, magazines, thesis, and reports etc.

Analysis & Findings

The level of satisfaction on electronic banking services among different groups has been tested by using chi- Square test.

Table 1 : Chi-square test on Customer Transactions Security on Accessibility

Particulars	Observed	Expected	(O-E)	(O-E) 2	(O-E)2 /E
Strongly Agreed	63	48.6	14.4	207.36	4.27
Agreed	46	38.4	7.6	57.76	1.50
Neutral	17	26.4	-9.4	88.36	3.35
Disagree	13	16.2	-.3.2	10.24	0.63
Strongly Disagree	11	20.4	-9.4	88.36	4.33
					14.08

Hypothesis Testing

H0 : Customer have better security accessibility with bank website

H1: Customer do not have better accessibility with bank website,

The table value of x2 for 16 degree of freedom taken at 5% significance level is 26.29 and the calculated value is 14.08. Since the calculated value is less than table value we accept the null hypothesis saying that the customers have better security accessibility with bank website.

Hypothesis testing

Table 2:Chi-square test on Customer trust on service for all electronic transactions.

Particulars	Observed	Expected	(O-E)	(O-E) 2	(O-E)2 /E
Strongly Agreed	19	48.6	-29.6	876.16	18.03
Agreed	28	38.4	-10.4	108.16	2.82
Neutral	29	26.4	2.6	6.76	0.26
Disagree	27	16.2	10.8	116.64	7.20
Strongly Disagree	47	20.4	26.6	707.56	34.68
					62.99

Ho : Customers experience trust the service for all the electronic transactions

H1 : Customer do not experience trust in the sevice for all the transactions.

The table value of X 2 for degree of freedom taken at 5% significance level is 26.9 Hence the calculated value 6299, since the calculated table value is greater than the book value hence we do not accept the null hypothesis .Customer do not experience trust in service for all electronic transactions .

Conclusions

Nearly all the banks in India have acquired speedy changes during the past few years Banks have becomes more resourceful in providing customer satisfactions through technology advancement , each electronic payment system of banks whether it is a nationalized or private competes with its rivals ones to retain its postions in terms of branches or ATMS. In their business transactions commercial banks have put more emphasis on products diversifications, customer orientations trust towards retail banking adoption of information's technology for improved services and better management.

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The Factors Affecting Employee Work Environment & It's Relation With Employee Productivity

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Abstract

The quality and quantity of work generated by employees are influenced by the work environment while poor environmental conditions can cause inefficient worker productivity as well as reduce their job satisfaction. This paper will describe some elements of the work environment that can impact on employee productivity and will address lighting, noise, color, and air quality. furniture and equipment as the key physical factors in the organization will discuss as well. four factors of the work environment under which it has impact on employee productivity that are: lighting, noise, color, and air quality. All of these factors cannot be treated separately, as they connect with each other. The work environment plays a very important role if the organization would like to maintain better productivity as many employees spend most of their time on generating activities in the organization.

Keywords: Work Environment, Productivity, Job satisfaction

Introduction

The physical aspects of a workplace environment can have a direct impact on the productivity, health and safety, comfort, concentration, job satisfaction and morale of the people within it. Important factors in the work environment that should be considered include building design and age, workplace layout, workstation set-up, furniture and equipment design and quality, space, temperature, ventilation, lighting, noise, vibration, radiation, air quality. The office environment in which employees work and undertake most of their activities can impact on their productivity. The quality and quantity of work generated by employees are influenced by the office environment and poor environmental conditions can cause inefficient worker productivity as well as reduce their job satisfaction, which in turn will impact on the financial well-being of the organisation

Extensive research concerning the effect of an unfavorable workplace environment on employee productivity has been undertaken worldwide. The majority of research found that there were several elements known to contribute both positively and negatively to productivity. Some researchers discovered that these elements affected both the psychological and physiological welfare of the workers, causing such conditions as eyestrain, fatigue, headache, back pain, and nausea. It is important to solve these problems, otherwise it will place the organisation in a bad situation as many people in the office may become sick due to inadequate office conditions .Administrative Office Managers should be able to organise the workplace based on an ergonomically sound office environment. **Ergonomics** is the study of the relationship between people, the equipment they use and the physical environment in which they work. Applying ergonomic principles to the design, modification and maintenance of workplace environments, has a benefit on people's work performance and short- and long-term health and safety.

This paper will describe some elements of the work environment that can impact on employee productivity and will address lighting, noise, color, and air quality. Office furniture and equipment as the key physical factors in the office will discuss as well.

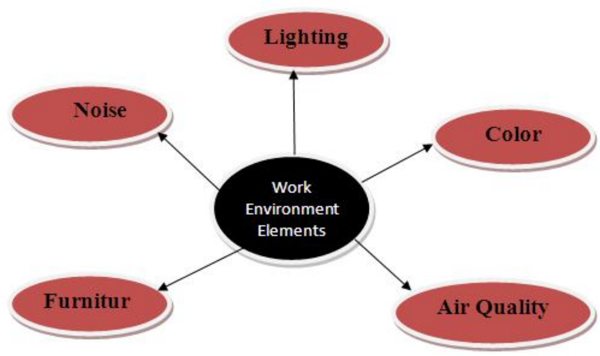

Fig: Work Environment Elements

Research Methodology

This is descriptive research. The source of information is secondary data from different sources like websites & books mentioned at the end.

The Impact of work Environment on Employee Productivity

When people are working in situations that suit their physical and mental abilities, the correct fit between the person and the work task is accomplished. People are then in the optimum situation for learning, working and achieving, without adverse health consequences, e.g. injury, illness.

The following are the work environment elements & how they affect employee productivity.

Noise - Noise is element of the work environment, which has an important role in affecting employee productivity. Too much noise, such as sound from equipment, tools, and people' s conversation, may prevent workers concentrating on their jobs, consequently decreasing their productivity. However, according to Keeling and Kallaus (1996) people cannot achieve good performance in a silent environment, because at some level, sound may generate a healthy background and can also assist employees accomplish their work.

In general, noise can influence employees while doing their work and the impact can be both positive and negative. If there is soft background sound, which is coming from instrumental music, and there is an employee who has to tackle claims from some inpatient customers, the background sound in turn, will assist him/her to become more relaxed in solving the customer s problems. In contrast, if the sound background is quite hard, which may develop from the telephone ringing and loud conversation among people in the same room, this situation can hamper both the employee and customers. There are several methods for controlling the noise in the office: proper contraction, sound-absorbing materials, sound-absorbing devices, and masking.

Lighting - Working in dim or overbright work environments can result in eyestrain, headaches, irritability and, inevitably, reduced productivity. Light sources, including the sun, can create unwanted reflections, glare and shadows in the workplace that can cause discomfort and distraction, and can interfere with the performance of visual tasks. Low levels of lighting can cause depression, which for some people may be severe.

There are two kinds of light that are available to office: natural light and artificial light. Natural light is a free resource that enters the office through window or skylight, whereas artificial light is the kind of light which is produced and designed by manufacturing.

A poor lighting system may reduce employee performance as well as productivity, because those who have to work related with reading might have a serious problem with their vision, which in turn may cause fatigue or eyestrain. point out that Administrative Office Managers should also take into account the amount of light as well as the quality of lighting. More lights, for some workers, may be helpful in overcoming their tasks. However, for the rest of them, especially those who have to work in front of computers, excessive light may cause difficulties viewing the characters on the screen. In addition, those employees who work in a better quality of lighting are likely to create faster work with fewer errors, compared to those work in a poor lighting.

Color

Another element of the work environment, which has impact on employee productivity, is color. The majority of workers are only concerned about the physical effect of color, while many of them do not pay more attention to its psychological impact . In fact, color plays a very important role on the human body, mind, and spirit, because it can impact both productivity and wellness.

For some people, different colors can have a different meaning; for example, those who prefer red color means that the people are energetic, aggressive, and brave. Those who like the blue color mean that they are very loyal people or faithful. In the work environments, different colors can also have a different impact, specifically for those involved in particular rooms. Choosing inadequate colors may impact on worker health, such as, eyestrain, headache, and fatigue.

However, it is very difficult for Administrative Office Managers to facilitate desirable colors for every worker. There are three factors which Administrative Office Managers need to aware of before choosing an appropriate color for the office environment these are: work functions, physical location, and type of emotion desire .

Different activities need a different color environment. Activities which need more concentration, such as accounting, will be best with cool color, for instance, blue and green, while some creative work, such as, advertising, software design, and fashion design, will be successful with warm color environments, for example, red and orange. An intelligent choosing of color environments in turn will enhance creativity, as well as productivity, while at the same time reducing fatigue and other health problems.

Air Quality

The last element of the work environment, which has impact on employee productivity, is air quality. Poor air quality can raise a negative impact on employee health in the form of respiratory problems, headaches, and, fatigue, which in the long periods will reduce productivity. The air quality contains four factors that are: temperature, humidity, ventilation, and cleanliness.

High Temperature Levels:

Employee lethargy and tiredness as a result of increased body temperature lead to possible efficiency decreases.

Low Temperature Levels:

Low Temperature Levels decrease in efficiency due to cooler body heat and shivering.

High humidity

In itself may not be a direct problem, but it does increase our susceptibility to high temperature levels as evaporation of body sweat is impeded.

Low Humidity

Levels have a debilitating effect on our ability to breathe and swallow without discomfort as our mouths and noses can become dry due to the increased level of evaporation in the surrounding environment.

A comfortable work environment is a building or room in which workers can generate their work properly as it clean, with proper range of temperature, enough ventilation, and an adequate humidity.Too little humidity level may causes magnetic tapes and disks to stick during processing operation, whereas too much humidity, on the other hand, produces condensation on the electronic parts of the equipment and causes shortcircuiting.

Ventilation is important for the control of dust, fumes, gases, aerosols, climate and thermal comfort factors. Exposure to different types of dust can result in fibrosis of the lung, allergic reactions and asthma attacks. Various vapours, gases and aerosols have the ability to cause respiratory and skin damage. Extremes of heat can reduce concentration and motivation and cause a number of heat-related illnesses. Extremes of heat can also reduce tolerance to chemical and noise exposure, and increase the risk of heart attacks.

After the temperature level in an office has been set-up properly within the favorable level of humidity, the air in the office still needs to be circulated, otherwise it can increase the temperature, which in turn may cause discomfort Air circulation is also essential as it can avoid people inhaling inadequate air. Moreover, smoking must be prohibited in the office. Some small offices still use electric fans to make sure that the air is circulated well.

Air cleanliness is also becoming one consideration of office management to develop better air quality. Due to technological advances, many devices have been developed to clean the air. These devices clean the air of germs, dust, and dirt.

Office Furniture

Office furniture comprises of desks chairs, the filing system, shelves, drawers, etc. All these components have a specific role to play in the proper functioning of any office and the productivity and the efficiency of the employees. And, one of the most important thing to be considered while buying office furniture is to ensure whether it is ergonomic or not. Ergonomics of office furniture is important because an employee has to work with them for the entire time that he is on office, and if they are uncomfortable and not user friendly, their working style and efficiency gets hampered considerably, in turn affecting the overall organizations. Non-ergonomic office furniture can also lead to health problems of employees, which again has an adverse effect on the productivity. Ergonomic office furniture ensures that each employee gels well with the things around him, like desks, chairs, computer alignment and even environmental factors. If the employee is uncomfortable due to any reason, his work is bound to get affected. If all factors surrounding the employee are ergonomically correct, then the employee will be comfortable and remain motivated to give his best. These days' organizations consult, and even employ ergonomic experts that advice people on how to improve their office ergonomics and what type of furniture would be suitable to make the ergonomics of a work place better. Having ergonomic office furniture reduces the chances of any risk injury. They are designed in manner that makes them safe to be had around and also reduce the possibility of any accidents in the work place. Office furniture like desks can be designed to give greater leg room and adequate support to the elbows while working on the computer. The positioning of the computer monitor and the mouse should also be adequate, so that the user does not have to strain his vision to view and stretch uncomfortably far to reach them. Office furniture helps the organization tremendously in increasing its productivity, and at the same time taking care of the employees' health.

Conclusion

Employees are very important assets that the organization has. A good organisation is one that can nurture its employees. One technique to nurture the employee is by paying attention to the office environment. Many employees spend most of their time on generating activities in the office. Thus, the office environment plays a very important role if the organisation would like to maintain better productivity.

There are four factors of the office environment under which it has impact on employee productivity that are: lighting, noise, color, and air quality. All of these factors cannot be treated separately, as they connect with each other. For instance, even though the lighting system of the office is desirable as it meets employee needs, the noise in the office still has to maintain to ensure that employees can work in favorable sound. An adequate lighting system, noise, color, as well as air quality can impact employees both physically and psychologically, and some health problems that may occur are headaches, as a result of poor lighting system and undesirable noise, respiratory problems as a consequence of poor air quality, fatigue as a result of inappropriate of selecting color, and so forth. In the long term, these problems will impact the financial well being of the organisation. In addition, in order to maintain employee productivity, Administrative Office Managers are recommended to organize the office environment based-on an ergonomically sound office in which all of the office environment aspects can be appropriate for employee.

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Study On Awareness Of Electronic Banking In India

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Introduction

Electronic banking service provided by Indian bank is most essential for Indian banking industry's development. E-banking services are gaining the attention of conventional banking customers quickly. It has fetched the revolutionary changes in the Indian banking industry in terms of customer and business views. Electronic banking has got popularity in the developed as well as developing countries because it saves customers time, reduces costs and customer have access to all banking services on electronic channels from any were any time. More often, the new innovated system of electronic banking allows the customers to access their accounts at home using electronic terminals like mobile, computers, etc.. This research paper focuses on growth and awareness of electronic banking in India. Electronic banking is today's requirement as it provides easy way to monitor an account. Most of the commercial banks in the country switched to the convenience ways in accessing the accounts of the customers and giving them the freedom for the easy access. Electronic delivery channels offer alternatives for faster delivery of banking services to a wider scope of customers. But in spite of all the opportunities and benefits created by the e-banking, there are still many challenges that are present in the financial sector. There are also some limitations of e-banking as it requires awareness, knowledge and skills to operate it.

The developments in information technology and communication technology in India are reason to increasing competition in financial institutions. so it is most important to take the advantages of advanced technologies to achieve a competitive benefit. Electronic banking is the term used for new age banking system. Electronic banking is also called as online banking or internet banking. Electronic banking is a term for the process by which a customer may perform banking transactions electronically without visiting the bank itself.

E-Banking refers to systems that enable bank customers to access accounts and general information on bank products and services through a personal computer (PC) or other device. Electronic banking uses the internet as the delivery channel by which to conduct banking activity, for example, transferring funds, paying bills, viewing checking and savings account balances, paying mortgages and purchasing financial instruments. Electronic banking is a result of explored possibility to use internet application in one of the various domains of commerce. It is difficult to conclude whether the internet tool has been applied for convenience of bankers or for the customer's convenience. But ultimately it contributes in increasing the efficiency of the banking operation as well providing more convenience to customers. Without even interacting with the bankers, customers transact from one corner of the country to another corner. In the world of banking, the development of E-Banking has an enormous effect on development of more flexible payment methods and more user friendly banking services. Recently, the banking industry was highly affected by the technology evolution that transformed the way banks deliver their services, using technologies such as automated teller machines, phones, Internet, credit cards, and electronic cash. In line with global trends, electronic banking in India has been undergoing many changes. There are many benefits of electronic banking as it provides easy way to monitor an account, we can pay bills, buy product, take part in auction and transfer money from anywhere at any time, it reduces costs, it saves time, and vice versa . This study focuses on growth and awareness of electronic banking in India.

Objective of the study

The study is primarily to understand that whether the people of India are well aware of electronic banking and further following objective describe the necessity of the study. (1) To discriminate the electronic banking growth in India. (2) To recognize the necessity of electronic banking in business.

Research Methodology

This research is based on secondary data. The scope of the present study is restricted to review of the awareness of electronic banking in India. The secondary data has collected from internet and books.

Analysis

E-banking systems depend on number of common components or processes. The following list includes many of the potential components and procedures seen in a typical institution: (a) Preparation of websites and hosting (b) Application configuration and management (c) Programming support (d) Network administration and Security management (e) Internet banking server and network server (f) E-commerce applications (g) Mechanical decision support systems

These components are work together to deliver e-banking services. Each component represents a control point to consider. The basic object of electronic banking that just assign information on banking products and services offered to bank customers and the overall public. Simple transactional electronic banking that permit bank customers to submit applications for different banking services, Checking account balance and transaction history, Ordering checks and submit instructions to the bank. Advanced transactional electronic banking that allow bank customers to electronically transferring funds between accounts, Paying bills, Managing investments and stocks trading and conduct other banking related transaction online. Generally, electronic banking refers to simple and advanced transactional E-Banking.

Growth of Electronic banking in India

Internet banking, both as a medium of delivery of banking services and as a strategic tool for business development, has gained wide acceptance internationally and is fast catching up in India with more and more banks entering the fray. India can be said to be on the threshold of a major banking revolution with net banking having already been unveiled. A recent to which 46 banks responded, has revealed that at present, 11 banks in India are providing Internet banking services at different levels, 22 banks propose to offer Internet banking in near future while the remaining 13 banks have no immediate plans to offer such facility. At present, the total Internet users in the country are estimated at 9 lakh. However, this is expected to grow exponentially to 90 lakh by 2003. Only about 1% of Internet users did banking online in 1998. This increased to 16.7% in March 2000.* The growth potential is, therefore, immense. Further incentives provided by banks would dissuade customers from visiting physical branches, and thus get 'hooked' to the convenience of arm-chair banking. The facility of accessing their accounts from anywhere in the world by using a home computer with Internet connection, is particularly fascinating to Non-Resident Indians and High Networth Individuals having multiple bank accounts.

Costs of banking service through the Internet form a fraction of costs through conventional methods. Rough estimates assume teller cost at Re.1 per transaction, ATM transaction cost at 45 paise, phone banking at 35 paise, debit cards at 20 paise and Internet banking at 10 paise per transaction. The cost-conscious banks in the country have therefore actively considered use of the Internet as a channel for providing services. Fully computerized banks, with better management of their customer base are in a stronger position to cross-sell their products through this channel.

Customer awareness about services

It is felt that offering good banking facilities in the rural arrears is a vital for success of any banks. Many banks providing a lot of services to customers in the rural area at the same time the level of awareness of the customer in not up to the bank. It is found that customers are having low level of awareness towards the electronic banking services provided by the bank in the rural areas. Particularly most of the customers do not know the range of product and services offered by the banks and they do not benefit out of it. The major weaknesses of bank was lack of awareness of inter banking among the customer, obsolesce of technology related to security, complicated procedures of availing internet banking facilities in the rural. Bank employees are not appropriately aware with all electronic banking services.

Conclusion

Concerning bankers' viewpoints on e-banking activities of customers, the study reveals that there is not sufficiently awareness in Indian customers regarding use of electronic banking services. But, the guidance and inspiration by bankers does promote the use of such services amongst the customers. There is greater incidence of electronic banking usage among the middle age men and women customers use such services much less frequently. The professionals, followed by business class, make more use of e-banking services. Bankers are satisfied regarding the retention rate and access rate of e-banking customers and they are also satisfied with switch over rate of customers from traditional banking to e-banking. Regarding impact of e-banking, the study indicates that e-banking helps in improving the relationship between bankers and customers. The bankers expressed confidence that such bonds would bring improvement in the overall performance of banks. About different promotional measures adopted by banks to promote e-banking, the study discloses that banks mostly resort to the use of print media followed by internet, SMS on mobile, outdoor advertisements and television. Majority of the bankers believe that banks are wanting in providing sufficient guidance to customers for using e-banking services.

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Electronic Banking – Emerging Issues And Possible Solution

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Introduction

An efficient service in banks is a competitive edge. Every bank is taking steps to improve the banking system as per technological revolution. Under the regime of banking sector reforms, IT Act of 1999 gave new dimensions to the Indian banking sector and now E banking services are transforming Indian banks. The modern banking is more information based, speedy and boundary less. With the help of E banking, banking system has become more efficient in e-payment system that leads to customer satisfaction thereby result into loyalty and customer retention. The present paper makes an attempt to analyse the different E banking services provided, as well as the problems faced by E banking providers and users. At the end, paper suggest some strategies for the efficient and effective e-banking services.

Banking is essentially a service industry. Its rapid growth has tented to lower the efficiency standards. Thus E-banking is emerging as effective delivery channel for banks. Banking is no longer restricted to brick and mortar confines to bank branches. Through E-banking, customers are being provided with additional channels that include ATM, Telebanking, Internet banking, mobile banking, Debit card, Credit cards, Online shopping etc are in line with their expectation and requirements. Each of these channels has its own specific advantage in terms of convenience, improved customer service and reduced transaction cost. E-banking enables the customers to perform the basic banking transactions through their PC's, Laptops, mobiles, etc. irrespective of their banks location anywhere in globe.

Thus E-banking can be termed as delivery of bank services to a customer at his office or home by using electronic technology. Electronic finance has been continuously growing as a new industry during last decade. As India is taking giant leaps towards globalization, some leading private sector bank and eminent banking service providers i.e. ICICI bank ltd. changed its online banking service in 1996, followed by host of other banks i.e. HDFC, AXIS, CITI bank, Federal bank etc. Now all the banks in India have either totally implemented core banking system and half way through.

Objectives of study

(1) To study the benefits of E-banking to users. (2) To examine the problems faced in implementing E-banking services. (3) To suggest various strategies to make E-banking services more effective.

Sources of Data

The paper is exploratory in nature and based on literature review. The data is collected from various reference books, research articles, magazines, Websites and journals.

Problems faced by user of E-banking services

(a) The bankable consumer population in India is 300 million & number of ATM required for this population is supposed by more than 2 lakhs. Thus as compare to the population ATM centers are fewer which create situations of long queue and also misuse of ATM cards, Latest news of attack on a lady in Kerala drives our attention for unsecurity while making use of ATM services. (b) Inadequate knowledge of E-banking services leads to lesser avail of various facilities to larger masses specially in rural and semi urban areas. (c) Sometimes poor network connection, time consuming transaction, poor response of employees, unavailability of quality E-banking services in rural and semi-urban areas generate less satisfied customers. (d) People are lacking trust in On-line banking and assume more expensive than traditional method.

Constraints in E-banking

With the obvious benefits emerging out of E-banking mentioned above, the following factors contribute as major impediments in the smooth implementations of E-banking:

Start-up cost

Many banks have expressed their concern about the huge initial start-up cost for venturing into E-banking. The start-up cost includes:

(a) The connection cost to the internet or any other mode of the electronic communication. (b) The cost of sophisticated hardware, software and other related components. (c) The cost of maintenance of all equipments, websites, skill level of employees etc. (d) The cost of setting up organizational activities to implement E-banking.

Training and Maintenance

The introduction of E-banking involves 24 hours support environment, quality service to end users and other partners which would necessitate a well qualified and robust group of skilled people to meet external and internal commitments. Hence, the bank has to spend a lot on training.

Lack of Skilled Personnel

It is a well known fact that there is an acute scarcity of web developers, content providers and knowledgeable professionals to route banking transactions through internet. In a fast changing technological scenario, the obsolescence of technology is fast and hence there is always shortage of skilled personnel.

Security

A security threat is defined as a circumstansive decision or event with potential to cause economic hardship to data or network resources in the form of destruction, disclosure, modification of data, denial of services, fraud, waste and abuse.

Legal Issues

The legal issues should cover unauthorized access, and unauthorized modification of data, wrongful communication and punishment to be meted out to combat computer crimes.

Restricted Clientele and Technical Problems

The user of e-banking needs a computer and time to log on to the site. It means that the target clientele is restricted to those who have a home PC or can access the 'Net' through the office or cybercafés, mobiles. Service calls are not free generally and so the customers has to pay every time he checks his balance.

To overcome the difficulties faced by the customers, the bank should plan & implement few strategies. Some of them are highlighted below :

Strategies to make E-banking services more effective

Popularity of E-channels: As ATM's, credit cards and internet banking are most preferred by the customers due to time and cost utility and efficient services where other channels are not much popular. So the banks should make efforts like arrange demo fares or provide information at counter to make the channels popular and easier to customers.

Transparency: The banks should disclose the full information to the customers to win their confidence like service charges, service tax, interest, penalty, if any, etc.

Proper Training: Effective training especially on the job should be given to all the employees engaged in E-banking system and are in need to work efficiently so that their stress and confusion can be eliminated.

The problem of lack of knowledge regarding new channels and how to operate and use these channels is a major bottleneck in the way of progress of e banking channels. So firstly trained the employees about each and every new concept of e banking system only then they can provide right information to the customers to make them aware about these e-channels. Customers prefer to know anything better on the counter so arrange demo for how to use e-channels at the counter rather through advertisement in newspaper and television etc.

Awareness regarding e-delivery channels: As E-banking is a new concept and more than 50 percent respondents are not aware about e-channels and their operating system, so the banks should provide appropriate information and demo to operate these channels and solve their any problem regarding these channels on priority basis in a polite manner. The bank should provide operational knowledge of e-channels with their each function to the customers.

Rural and semi-urban sector: In India more than 60 percent of the population is residing in the rural areas. Therefore, it is the need of the hour to capture this market through e-delivery channels. Hence, banks should make e-delivery channels popular in rural and semi urban areas too with some practical and effective strategies.

Infrastructure facilities: Every branch of a bank should provide sufficient and proper sitting arrangement, vehicle parking, water and sanitary facilities etc. Posters of existing schemes should also be displayed in appropriate places.

(a) Social rapport with customers: It is suggested that bank officials should make full rapport with customers. This will develop a social banking environment. *(b) Security Measures :* For venturing into E-banking, the following major *(c) controls must be ensured: (d) Authenticity controls :* to verify identity to individuals like password, PIN etc. *(e) Accuracy controls :* to ensure the correctness of the data flowing across the network. (f) Completeness controls to make sure that no data is missing. *(g) Redundancy controls :* to see that data is travelled and processed only once and there is no repetitive sending of data *(h) Privacy controls:* to protect the data from inadvertent or unauthorized access. *(i) Audit trail controls:* to ensure keeping chronological role of events that are occurred in the system.

Conclusion

The study concludes that E-banking provides many benefits with some emerging problems and also suggested strategies to reduce the risk in using such services. Mental revolution on part of staff, provision of update technology, understanding needs and preferences of customers and speeding up operations will lead to more satisfied customer through efficient service quality. Thus, E-banking is gaining an importance among the customers who want their transactions to be accurate & efficient. The technological advancement globally is so rapid & widespread that E-banking will definitely help the customers by providing personalized, speedy and cost effective services to sustain the banking business in fast changing competitive environment.

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Bank Marketing Is A New Strategy For Banks

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Introduction

The Role of marketing in the banking industry continues to change. For many years the primary focus of bank marketing was public relations. Then the focus shifted to advertising and sales promotion. That was followed by focus on the development of a sales culture. Although all the elements of the marketing concept – customer satisfaction, profit integrated framework and social responsibility – will remain important, customer satisfaction must receive the greatest emphasis in the years ahead. The chief concerns of most bank executives still focus on legal and regulatory issues, according to most surveys. Community banks are particularly concerned with eliminating barriers that give unfair advantages to financial services competitors, such as creditunions. However, another concern pertains to technology.

Marketing Concepts

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

i) A very clear definition of target customers. ii) The development of a marketing mix to satisfy customers at a profit for the bank. iii) Planning for each of the source 'markets & each of the use' markets (A Bank needs to bedoubly market – oriented – it has to attract funds as well as were of funds & services.

Organization & Administration.

Marketing?

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

Bank Marketing

We define bank marketing as follows: ¯Bank marketing is the aggregate of functions, directed at providing services to satisfy customers' financial (and other related) needs and wants, more effectively and efficiently.

This aggregate of functions is the sum total of all individual activities consisting of an integrated effort to discover, create, arouse and satisfy customer needs. This means, without exception, that each individual working in the bank is a marketing person who contributes to the total satisfaction to customers and the bank should ultimately develop customer orientation among all the personnel of the bank. Different banks offer different benefits by offering various schemes which can take care of the wants of the customers. Marketing helps in achieving the organizational objectives of the bank. Indian banks have duel organizational objective – commercial objective to make profit and social objective which is a developmental role, particularly in the rural area. Marketing concept is essentially about the following few thing which contribute towards banks' success:

1) The bank cannot exist without the customers. 2) The purpose of the bank is to create, win, and keep a customer. 3) The customer is and should be the central focus of everything the banks does. 4) It is also a way of organizing the bank. 5) Ultimate aim of a bank is to deliver total satisfaction to the customer. 6) Customer satisfaction is affected by the performance of all the personal of the bank.

All the techniques and strategies of marketing are used so that ultimately they induce the peopleto do business with a particular bank. Marketing is an organizational philosophy. This philosophy demands the satisfaction of customers needs as the pre-requisite for the existence and survival of the bank. The first and most important step in applying the marketing concept is to have a whole hearted commitment to customer orientation by all the employees. Marketing is an attitude of mind. This means that the central focus of all the activities of a bank is customer. Marketing is not a separate function for banks. The marketing function in Indian Bank is required to be integrated with operation. Marketing is much more than just advertising and promotion; it is a basic part of total business operation. What is required for the bank is the market orientation and customer consciousness among all the personal of the bank. For developing marketing philosophy and marketing culture, a bank may require a marketing coordinator or integrator at the head office for effective coordination of different functions, such as marketed research, training, public relations, advertising, and business development, to ensure customer satisfaction. Hence, the total Bank marketing function involves the following: a. Market research b. Product Development c. Pricing of the service d. Developing market.

Principal aspects of Bank Marketing?

Customer Oriented Services

Services offered by the banks are to be worked out in such a manner that they fulfill the needs of the customers. Traditionally, bankers have been accustomed to think in terms of what banks can offer and not what customers want. However, bank marketing concept requires them to change this orientation, and start working out schemes and services by keeping changing customer needs as the focus of their new and novel products. In order to design and deliver customer needed services, the banks must learn to seek information about the existing and potential customers, and their perceived and latent needs on a regular and systematic basis.

Design & Delivery of Such Services

The word design implies that good marketing services need to be properly designed and crafted so as to suit a particular well-defined group of clients. Moreover, such properly designed services must be properly traded. The quality of delivery is to be ensured not only through focused advertisement, but also through proper customer services offered at the bank's retail outlets.

Customer satisfaction is a dynamic process and it is necessary to keep pace with rising expectations of the customers. Further, the development of IT and spread of Internet are opening up newer mechanisms of customer contact and services.

Corporate Objectives of the Bank

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

1. The **Short Term Objectives** could be of the type: **- a)** Increasing profitability of the bank next year. **b)** Widening customer base by offering new services, **c)** Increasing growth rate of credit next year, etc.

2. The **Long Term Objectives** could be: **- a)** To rise to number one position in five years, **b)** To become the universal bank over the period of next 3 years, etc.

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

Marketing Concepts – Its Application to Banking

When we apply marketing to the banking industry, the bank marketing strategy can be said to include the following:

i) A very clear definition of target customers. ii) The Development of marketing mix to satisfy customers at a profit for the bank. iii) Planning for each of the source 'markets. iv) Organization and Administration.

Marketing Strategy in Banking Sector

Consumer Behavior and Segmentation

Banks deal with individuals, group of persons and corporate, all of whom have their likes and dislikes. No bank can afford to assess the needs of each and every individual buyer (actual or potential). Segmentation of the market into more or less homogenous groups, in terms of their needs and expectations from the banking industry, provides a solution to this problem. This involves dividing the market into major market segments, targeting one or more of this segments, and developing products and marketing programs tailor-made for these segments.

In the **first segmentation**, the market is divided from a unitary whole, to groups of buyers who might require separate products and marketing mix. The marketer typically tries to identify different segments in the market and develop profiles of resulting market segments. The **second step** is market targeting in which each segment's attractiveness is measured and a target segment is chosen based on its attractiveness. The **third step** is product positioning which is the act of establishing a viable competitive position of the firm and its offer in the target segment chosen In the process of segmentation, the market can be divided into major segments which are gross slices of the market, or into smaller specially formed segments, otherwise known as niches.

Niche customers have a specific set of needs which the marketer tries to address. While a market segment attracts several competitors, a niche attracts fewer competitors and therefore, a company should clearly define its target segment and devise strategies to target the customer, so that it has a competitive advantage in the segment. An important criterion for market segmentation the economic system in which we find agricultural sector, industrial sector, services sector,household sector, institutional sector and rural sector requiring of weight age while segmenting.

Customer Relationship Management

The marketing strategy consists of a very clear definition of prospective customers and their needs and the creation of marketing mix to satisfy them. A recent development in this regard is Customer Relationship Management (CRM). It is a business strategy to learn more and more about customer behavior in order to create long term and sustainable relationship with them. It is a comprehensive process of acquiring and retaining selective customers to generate value for the bank and its customers. Customer retention is carried out through data warehousing and mining tools, customer service and call services, and improved customer value is obtained through cross-selling and up selling to the retained customers. The concept of data warehousing and data mining used in CRM helps in seeking information about individual customers and their needs on a regular and systematic basis. Data warehousing builds customer wise data by mapping it from various services and products used by the customers such as deposits, credits, foreign exchange, e-business, safe custody, lockers, bill collection, etc. Data mining carries out various types of analysis on collected data to determine customer behavior with respect to product, price and distribution channels, and offers a holistic view of every customer at a given point of time. The customer information gathered by the bank in their day-to-day banking operations is often sufficient for effective data storage.

Identification of Target Customers & their Needs

This is an important area in formulation of a marketing strategy. Unless the bank has clear idea about the customers it wants to serve, it is not possible to work out products to satisfy their needs. This identification process involves: - Finding out profile of present customers in terms of their education, occupation, income, geographical location, population group, age, sex, marital status, products and services their purchase, their habits, tastes & preferences, their businesses & future prospects ,etc.Finding out opinions of existing customers about the services provided by the bank and their suggestions for improvement in present services and introduction of new services.Collecting such information from the persons who are not currently customers of the bank.

All this can be done by conducting a survey of customers and non-customers of the bank.

Marketing Mix in Bank

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

Product

Decisions about product would answer questions about the design of the services offered to suit customer needs, the desirable hours for offering such services, the attractive names of such services and so on. Various alternative ways to provide the basic services might have to be worked out depending on the needs of the various target groups. A very good example of formulation of a market strategy under the "collective" approach is development of the product, **"Kisan Credit Cards"**. The target group identified for this was farmers with the purpose of dispensation of agricultural and rural credit to them. Agricultural credit cards and cash credit facilities which were niche-marketed and were exclusively preserved for the

Place

Decisions about place should answer questions about location of the prospective customers and, therefore, location for offering such services. The place decision answered questions about the location where the KCCs can be obtained. This involved all branches engaged in agricultural lending. Price decision required answering questions on margins, collateral, interest rates to be charged for different slabs, and so on.

Price

Decisions about price should answer questions about right price for services offered, worked out by taking into consideration the cost of such services, competitor's charges and other factors.

Promotion

Decision about promotion answers questions about communication with the customer. After getting information on needs and location of the prospective customer and after designing schemes to suit their needs, it is necessary to take decisions on making schemes known to the prospective customers through proper communication media and through proper words, so as to bring out the salient features of the scheme. Actual delivery of the schemes at the counters and at the manager's desk also plays a vital role in determining the success of the scheme.

People

All people directly or indirectly involved in the consumption of banking services are an important part of the extended marketing mix. Knowledge Workers, Employees, Management and other Consumers often add significant value to the total product or service offering. It is the employees of a bank which represent the organization to its customers. In a bank organization, employees are essentially the contact personnel with customer. Therefore, an employee plays an important role in the marketing operations of a service organization

Process

Flow of activities: All the major activities of banks follow RBI Guidelines. There has to be adherence to certain rules and principles in the banking operations. The activities have been segregated into various departments accordingly:

Physical Evidence

Physical evidence is the material part of a service. Strictly speaking there are no physical attributes to a service, so a consumer tends to rely on material cues. There are many examples of physical evidence: 1.Paperwork 2.Brochures 3.Furnishings 4. Business cards 5.The building itself

Conclusion- From the above research paper, it is clear that in the in the present days of banking business marketing strategy is an essential part. It becomes the key issue for the development of whole banking business. For obtaining trust from customers there are various new challenges occurred to the present banking industries.

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ABSTRACT

Customers are the focal point in the development of successful marketing strategy. Marketing strategies both influence and are influenced by consumers' affect and cognition, behaviour and environment. In the banking field a unique 'Relationship' existsbetween the customers and the bank. But because of various reasons and apprehensions like financial burdens, risk of failure, marketing inertia etc., many banks are still following the traditional ways of marketing and only few banks are making attempts to adapt CRM. It is with this background, a modest attempt towards the idea that CRM can be adapted uniformly in the banking industry for betterment of Banking Services. The lack of understanding on Customer Relationship Management (CRM) is always a concern among the service providers especially banks. Banks have their own way of managing their relationships with the customers. However, the perception of customers on CRM practices among banks should also be taken into consideration. Here in this paper, effort is given to study the comparative perception of SBI customers and other nationalised banks customers' in the issue of CRM practices. It is observed that the approach of CRM by SBI and other nationalised are to some extent same and one but the reach is quiet distinguishable. CRM is an inevitable tool of marketing that can be considered as CriticalResponsibility of Market with regard to Banks in present context.

Introduction

Customer relationship management is one of the strategies to manage customer as it focuses on understanding customers as individuals instead of as part of a group. Managing customer relationships is important and valuable to the business. The effective relationship between customers and banks depends on the understanding of the differentneeds of customers at different stages. The abilityof banks to respond towards the customers' needs make the customers feel like a valuable individual rather than just part of a large number of customers.

CRM manages the relationships between a firmand its customers. Managing customer relationships requires managing customer knowledge. CRM and knowledge management are directed towards improving and continuously delivering good services to customers. To understand more in customer relationship management, we first need to understand three components which are customer, relationship and their management. More often, managers always make mistakes by seeing customers' satisfaction from their eye not from customers' eye. Banking sector is a customer-oriented service where the customer is the KEY focus. Research is needed in such sector to understand customers' need and attitude so as to build a long relationship with them. Customer Relationship Management includes all the marketing activities, which are designed to establish, develop, maintain, and sustain a successful relationship with the target customers.

Crm In Banking Sector

Over the last few decades, technical evolution has highly affected the banking industry. For more than 200 years, banks were using branch based operations. Since the 1980s, things have been really changing with the advent of multipletechnologies and applications. In this technology revolution, technology based remote access delivery channels and payment systems surfaced. ATM displaced cashier tellers, telephone represented by call centers replaced the bank branch, internet replaced the mail, credit cards and electronic cash replaced traditional cash transactions, and interactive television will replace face-to-face transactions. In recent years, banks have moved towards marketing orientation and the adoption of relationship banking principles. The key motivators for embracing marketing principles were the competitive pressure that arose from the deregulation of the financial services market particularly in India. The bank would need a complete view of its customers across the various systems that contain their data. If the bank could track customer behaviour, executives can have a better understanding, a predicative future behaviour and customer preferences. The data and applications can help the bank to manage its customer relationship to continue to grow. In the area of strategy, they are trying toCreate consumer-centric culture and organization, Secure customer relationships, Maximize customer profitability, Integrate communications and supplier – customer interactions across channels, Identify sales prospects and opportunities, Support cross and up-selling initiatives, Manage customer value by developing propositions aimed at different customer segments, Support channel management, pricing and migration. CRM is a sound business strategy to identify the bank's most profitable customers and prospects, and devotes time and attention to expanding account relationship with those customers through individualised marketing, reprising, discretionary decision making, and customised service through the various sales channels that the bank uses. Any financial institution seeking to adopt a customer relationship model should consider six key business requirements, they are: (1) Create a customer-focused organisation and infrastructure. (2) Gaining accurate picture of customer categories. (3) Assess the lifetime value of customers. (4) Maximise the profitability of each customer relationship (5) Understand how to attract and keep the best customers. (6) Maximise rate of return on marketing campaigns.

Research Problem

Modern Marketing philosophy advocates the concept of CRM that creates customer delight. This applies to all sectors of Sales and Marketing includes the banking. In the banking field a unique 'Relationship' exists between the customers and the bank.It is with this background, a modest attempt towards the idea that CRM can be adapted uniformly in the banking industry for betterment of Banking Services. The role of CRM is quite different and distinguishable to traditional type of Marketing CRM participate not only in Marketing but also in implementing the business as a strategy to acquire, grow and retain profitable customers with a goal of creating a sustainable competitive advantage. Particularly in banking sector, the role of CRM is very vital inleading the banks towards high level and volume of profits. So there is a need to study the role of CRM in development and promotion of banking sector throughthe sidelines of the practices, problems and impact of the CRM on banking sector all the time.

Objectives Of The Study

The main objective of the study is to examine the importance of CRM in banking sector, and its impact on the 'Customer Satisfaction' with a special reference to State Bank of India (SBI) and other nationalised bank including BOB, BOI, and PNB bank. The other specific objectives of the study are: (1) To review the literature on the concept and use of CRM in banking sector. (2) Toanalyse the perception of customer on CRM as a tool of banking sector in retention of customers in general and SBI and other nationalized banksin particular. (3) To offer pertinent suggestions based on the findings of the study.

Methodlogy

The present study is a comparative and analyticalone through the perceptions of the customers of the selected banks. Primary data were collected through a well structured qualitative questionnaire from the selected banks. A Questionnaire with 15 statements was adapted from different literature with modifications to suit the setting in the banking sector. Perceptions on CRM practices are measured by using 3 point Likert scale as follows:

1 = Disagree;
2 = Neutral;
3 = Agree.

A sample of 100 customers of the selected banks, SBI (50 customers) and other nationalised banks (50 customers) were selected for the purpose of the study. Data whatsoever collected were processed, tabulated and analysed by using various statistical tools, like, Arithmetic mean, Standard Deviation and 'F' test etc.

Literature Review

In this paragraph, sincere effort is given to highlight the concept and significance of CRM vis a vis the uses and application of CRM in Banking sector. In the literature, the main difference among the definitions of CRM are technological and relationship aspects of CRM. Berry (1983) defined relationship marketing as attracting, maintaining and enhancing the customers' relationships in multi-service organisation. After a few decades, the evolution in relationship marketing philosophy changed the word relationship marketing to CRM. According to Brown (2000) CRM is a process of acquiring new customers, retaining the existence customers, and at the same time understands,anticipates and manages the needs of an organisation's current and potential customers.Furthermore, Mylonakis (2009) described CRM as an innovative process to create a long term relationship and gaining trust. CRM is fundamental to building a customer-centric organisation. CRM is a key element that allows a bank to develop its customer base and sales capacity. The goal of CRM is to manage all aspects of customer interactions in a manner that enables the organization to maximise profitability from every customer. From the foregoing, it can be said that the purpose of CRM is to bring about Customer Focused Services, Information and Communication Technology, Complaints Management, High Quality Service, Timeliness in Service Delivery, Friendliness of Employees, Ease of Opening Account and Competitive Charges in order to enhance organisational performance as indicated by such variables as Customer Satisfaction, Customer Retention, increase in number of customers, and increased net profit. The organisational performance is enhanced because marketing efficiency is achieved due to the cooperative and collaborative processes introduced by CRM which helps in reducing transaction costs and overall development costs for the company. Further, a clear vision of CRM along with appropriate strategies if applies in banking sectors found out that beneficial in maintaining the customer service quality, customer satisfaction and customer retention which ultimately leads to the growth of the organisation and profitability observed that by satisfying the internal customers and building good relationship with them, the relationship with the external customers can also be retained and satisfied by the banks. The challenge before the banks is not only to obtain updated information for each customer, but also to use the information to determine the best time to offer the most relevant products. Service quality in banking implies consistently anticipating and satisfying the needs and expectations of customers. In today's competitive banking industry, customers have to make a choice among various service providers by making a trade-off between relationships and economies, trust and products, or service and efficiency. CRM is a key to create a superior customer experience. It manages the customer relationship by creating a clear understanding (Know),by developing services and products based on the added value for target groups (Target), then enabling the actual sale and delivery of services and products through the selected channels (Sell), and developing long term profitable relationships with customers after sales services. In the customer-centered paradigm, customer asset management (CAM), customer equity (CE), return on quality and service profit chain are similar to CRM

Analysis & Findings

CRM has emerged as a popular business strategyin today's competitive environment. It is a discipline that enables the companies to identify and target their most profitable customers. It involves new and advance marketing strategies that not only retain the existing customers but also acquire new customers.. Through the literature survey and data analysis it can be inferred that CRM tries to find out the relationship between perception and satisfaction, commitment and loyalty that underlines the significance in Indian Banking Sector. With the advent of new technologies in the business of banking, suchas internet banking and ATM'S, now customers can freely choose any bank for their transactions. Private Banks have traditionally viewed themselves as exceedingly "Customer Centric" offering what they believe to be highly personalised services to the High Net Worth Customers.

TABLE 1: CUSTOMERS PERCEPTIONS ON CRM CONSTRUCTS :-

1.	CRM Constructs	SBI	BOB	BOI	PNB
2.	Big challenge for the bank is customer retention	2.55	8.43	3.13	12.18
3.	Prompt services in mean time	2.71	9.28	2.58	12.18
4.	Retention of existing customers	2.6	8.68	2.5	10.19
5.	Enhances customers loyalty	2.6	8.68	2.5	10.19
6.	CRM is centered in Annual report only	2.8	2.6	10.2	9.4
7.	CRM is undertaken by employee approach to customers	2.83	9.5	2.51	10.60
8.	CRM objective is to frame customer data base	2.5	8.6	2.8	9.6
9.	Bank itself is interested in CRM activities	2.7	9.3	2.4	8.2
10	CRM benefits to retention of customers	2.33	8.8	2.28	7.6
11	CRM attract new customers	2.8	9.7	2.3	7.8
12	CRM helps to build customer loyalty	3.0	11.13	2.7	9.52
13	CRM promotes customers awareness	2.61	10.5	2.71	9.8
14	CRM boosts customer's confidence	2.68	9.70	2.51	8.76
15	CRM create all round friendly environment	2.35	8.6	2.66	8.89

F test Value 1.65 Tabulated Value 1.543 [dof = 42,42 at 5% Level of Significance]

It is also found that the structured approach of CRM can provide various benefits to a bank, namely a distinctive and consistent customer experience, clear identification of the organisation, technological and process-related. With regard to various aspects of CRM through the opinions of selectbank customers the following findings are drawn and shown in Table 1.

Remarks Rejected:-

1. From the analysis, it is found that only few customers recognise that there is a change in marketing approach of Banks due to changing business environment. Majority of customers uncertain that the CRM is centered in a particular department, very few of the customers have accepted that CRM is prevalent through all the levels in the Banks. CRM is the best tool to perform the job of rendering good services.
2. It is found that Customer Retention is not a big challenge toBanks as per the opinions of customers of selected Banks. It is found that though CRM activities have not helped to increase the confidence of the customers in meeting the changing needs.
3. It is beyond doubt that when banks through CRM activity attend the needs of customers without delay in time, the banks can create more awareness to customers and can create a customer data base very significantly. According to the analysis, it is observed thatCRM activities have not helped to increase rapport with the customers of the selected banks as expected.
4. All the customers are uncertain about CRM of a Bank that contains creation of complete customer database. Technological advancement adopted by Banks was not useful to get the update and latest information over CRM.
5. Through the study, it is observed that the selected Banks customers are being exposed to the new techniques. It is also observed that customers are strongly disagreeing and some of them are uncertain about CRM activity is undertaken by e-Marketing by their banks.
6. Most the customers have not accepted that the selected Banks are not showing interest in CRM activities with full attention but maintaining the same as a compulsion. CRM activity has been felt as an additional workload by the employees but they have feel CRM is useful to customers and also the Banks.
7. It is found that the technological necessities for the implementation of CRM do not require the environments of advanced countries. The basic services providing infrastructure facilities and technological tools that are available in India suit the implementation of

CRM by banking industry in India.

8. The reach of CRM of both SBI and other nationalised banks is compared and tested through 'F' Ratio. It is assumed that there is no significant difference between the perceptions of customers of SBI and other nationalised banks towards CRM. As the calculated value (1.65) of 'F' is higher than the standardvalue (1.54), the hypothesis is rejected at 5% significant level and inferred that there is significant difference between the perceptions of SBI and other nationalised banks customers towards CRM.

Conclusion

The general discussion can be said that the bank is yet to develop an integrative approach which focuses on the customer needs and to deliver to it. As shown by the study, the bank is far from developing a customer centric approach both for the customer as well as for the employees. In view of this, to implement a CRM integration strategy, the following recommendations can be adopted:

1. The Indian Banking Sector is flooded with different banks of the same molecule. In such a competitive environment, the Banks should adopt suitable marketing skills rather than depending on the trading skills.
2. Implement a Customer Centric Process in Banks.
3. Employee Relationship Management first before Customer Relationship Management.
4. Increase customer experience through the web site.
5. Develop channel integration for effective Customer Relationship Management.
6. Proper training should be given to the bank personnel regarding the behavioral patterns by the Banks before they come and work in the field.
7. More importance should be given to handling online transaction and using e-commerce and mobile banking services.
8. It should be realised that customer relation cannot be built overnight. CRM should be considered as Continuous Relationship Management.
9. Data gathered from the customers should be given proper value and it should be Properlyutilised.
10. The Banking sector is developing and getting higher day by day in urban and semi urban areas, there is large number of customers using the services in the urban and semi urban areas. So a wide scope in rural areas is expected in the days to come.

Based on the analysis it is very clear that in almost all issues, the working performance of SBI and other nationalised banks is similar but differing at certain aspects only. The SBI though it is public sector bank, taking much care in implementation of CRM, fine tuning the CRM and finally putting it on track. Whereas, other nationalised was not at par withSBI in most of the aspects like database management, responding to the customers in mean time and provisioning the services as expected by the customers. Particularly in marketing approach, considering customer retention as a big challenge, provisioning the facilities attending the needs without delay in time, meeting the changing needs, creating the database, employee approach to customers, customer awareness, impact of CRM relationship with customer, impact over bank objectives, CRM and public image, CRM and updating the data, CRM and customer satisfaction, other nationalised is found quite good. On the other hand, in terms of retention of existing key customers, enhancing customer loyalty, provisioning technological infrastructure, location of CRM, existence of CRM, approaches of CRM, coverage of CRM by e-Marketing, relationship with the customer, CRM's objectives and making the customer delight, retention of customers benefits of CRM to the organisation, loyalty, customer confidence, are found quite satisfactory and in good condition with SBI. Hence, CRM is an inevitable tool of marketing that can be considered as Critical Responsibility of Market with regard to Banks in present context. This study is significant to banks as they get information on what are items that are important tocustomers so as to maintain the relationship.

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Customer Satisfaction In Regard To Products And Services Offered By ING Vysya Bank In Allahabad

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Abstract

Banking field is one of the appealing and fascinating sectors, towards where most of the young generation is attracted and want to get connected to it anyhow. Banks are nothing without customers, therefore customer aspect plays a major role in banking industry. All its hard work, policies, strategies, marketing, operations are in vain if the bank does not have the solid customer base. Thus, along with other issues, customer satisfaction and customer service has emerged as a major concern area for banks now. For this banks need to know the costumer behavior and response that how individuals, groups or group of persons select, buy, use and take up financial products , services, banks working, policies, strategies etc.

The banking industry worldwide has been showing steady progress since 2002. The growth in retail banking sector has helped in the growth of the overall banking in past few years. The emerging middle class population, introduction of technology, flexibility in banking policies, increasing young generation (mostly population below 35years of age), awareness and increasing income has brought a remarkable change in the working of banking business on the banks side and a improve in the standard of people on customer side.

This paper deals with customer satisfaction of ING Vysya Bank financial products and services and its performance with respect to ING Vysya Bank. A questionnaire was prepared, which were filled in by the general public at various locations in Allahabad city. An interview was held to analyse their opinions regarding their primary bank and also about various features and products about their bank and their views regarding other banks.

The Indian scheduled commercial banks operate in four broad segments- retail banking business, wholesale banking business (corporate segment), treasury operations and other banking activities. Traditionally, they operated in corporate and treasury segments. The emergence of retail segment can be largely attributed to the foreign banks and entry of new private sector banks in the industry. Banks have dedicated specialized business units and branches for retail banking, with the emergence of banks like ICICI, HDFC, UTI (Now Axis Bank) and IDBI the whole banking landscape has undergone a paradigm shift.

Under the head Scheduled Commercial Banks, Private Sector Banks are making room, showing the tremendous performance and giving a tough competition to the Public Sector Banks. Amongst all the Private sector banks, ING Vysya Bank has shown a remarkable performance in past few years. Other leaders in Private sector Banks viz. ICICI and HDFC Bank are far ahead and well-known bank in India but ING Vysya Bank is a bank which is not that much famous and in a low profile, nevertheless this bank is successfully able to make its space to be get counted in a good banks in performance.

In India, ING is present in all three fields of banking, insurance and asset management in the form of ING Bank, ING Vysya Life Insurance and ING Investment Management respectively. The presence in all three fields signifies the importance that the ING group attaches to the Indian markets in all the most crucial sectors. ING has gained recognition for its integrated approach of banking, insurance and asset management. Furthermore, ING group has its presence in other countries and has successfully established life insurance companies in countries with emerging economies, such as Korea, Taiwan, Hungary, Poland, Mexico and Chile. Another specialization is ING Direct, an Internet and direct marketing concept with which ING is rapidly winning retail market share in mature markets.

The growing significance of ING Vysya Bank in India is much fascinating and interesting in making a project assignment on this bank which will be focusing the customer base of this bank and gauging their satisfaction level in the products and services offered by ING Bank. This will lead to acknowledge the true performance and the customers' liking towards this bank.

Objective Of The Study

1) To find out the customer satisfaction level for ING Vysya for products and services offered by the bank in Allahabad. 2) To state the challenges and opportunities before ING Vysya Bank.

Review Of Litreature

1. "Organizational study and Understanding consumer behavior in the purchase of financial products and services and Competitor analysis with respect to ING Vysya Bank, Bangalore" Hrishikesh Jhadhav (2007). In his article the writer has discussed the consumer behavior in buying the products and services in detail. The bank which has been selected as a case study is ING Vysya Bank. The study has been taken on the customers of ING Vysya Bank in reference to their behavior changes while purchasing the financial products

and services the bank.

"Investment in Mutual Funds and Opportunity for ING Vysya Bank at Allahabad" Amit Upadhyay. The writer of the project has discussed about the mutual funds investments in ING Vysya Bank. The detail of all kinds of mutual funds is mentioned in the work and the opportunity the bank has in the area is empirically observed. The project is based on Allahabad city, where the mutual funds investments has become quiet fascinating for the public.

"Customer Satisfaction in ICICI Bank" Ankur Singh. In the article the author has discussed about the entire products and services of the ICICI Bank that it offers and have measured the customer satisfaction level of the customers that are using the financial products and services of the bank.

"Loyalty and satisfaction construct in Retail Banking- An empirical study on bank customer".

In the article the author has tried to identify satisfaction of customer as the major factor behind loyalty in retail banking sector. Customer Satisfaction is one of the important factors which affect the performance of retail banking. The author has made a comprehensive study about the various drivers of customer satisfaction. The study examines the relationship among the various factors like satisfaction, loyalty and service quality.

"Create Awareness of Bank's Product offered by ING-Vysya Bank in Bareilly". Mukhar Goel. In the project the author has made an effort to enlist the products and services offered by ING Vysya Bank and have done an empirical study to find out the awareness in public about the financial products and services provided by the bank in the selected city Bareilly.

Research Methodology

A research design adopted to execute the survey is as follows-

Problem identification

Banking is completely inter-related with customers; therefore I have chosen a customer satisfaction as a parameter to gauge the performance of ING Vysya bank.

Data Collection

Data will be collected through Primary and secondary sources. In Primary source, a questionnaire will be made to find out the customer satisfaction level in product and services that ING Vysya Bank offers. In secondary source, information about ING Vysya Bank is collected through magazines, annual reports, RBI bulletin, journal, books etc.

Area of study

The study is executed in Allahabad City. The area is selected on the basis its recent development and its population in both upper and middle class. The growing credit culture and increasing banking habit in people behavior in Allahabad has been noticed. Also because Allahabad city has turned into a metropolitan city recently announce by the governing authority which has reached above the count of 40 lacs in number.

Sample Selection and Size

Respondents will be selected as a sample who will be the existing customer of ING Vysya Bank in Allahabad. Convenience sample technique will be adopted in the study. This sampling method involve deliberate or purposive selection of a particular units of universe from the consulting a sample which represent a universe characteristic. Sample size is of 75 respondents.

Origin of ING Group

ING group originated in 1990 from the merger between Nationale – Nederlanden NV the largest Dutch Insurance Company and NMB Post Bank Groep NV. Combining roots and ambitions, the newly formed company called "Internationale Nederlanden Group". Market circles soon abbreviated the name to I-N-G. The company followed suit by changing the statutory name to "ING Group N.V.".

ING Vysya Bank

ING Vysya Bank Ltd., is an entity formed with the coming together of erstwhile, Vysya Bank Ltd, a premier bank in the Indian Private Sector and a global financial powerhouse, ING of Dutch origin, during Oct 2002. The origin of the erstwhile Vysya Bank was pretty humble. It was in the year 1930 that a team of visionaries came together to form a bank that would extend a helping hand to those who weren't privileged enough to enjoy banking services. It's been a long journey since then and the Bank has grown in size and stature to encompass every area of present-day banking activity and has carved a distinct identity of being India's Premier Private Sector Bank.

In 1980, the Bank completed fifty years of service to the nation and post 1985; the Bank made rapid strides to reach the coveted position of being the number one private sector bank. In 1990, the bank completed its Diamond Jubilee year. At the Diamond Jubilee Celebrations, the then Finance Minister Prof. Madhu Dandavate, had termed the performance of the bank 'Stupendous'. The 75th anniversary, the Platinum Jubilee of the bank was celebrated during 2005.

It is a premier private sector bank with 75 years of history, which has been effectively transformed into modern technology driven Indian foreign Bank. With 1.5 million customers, 480 outlets and 6000 employees it is known for its innovative banking services and for pioneering several products and services. ING Vysya Bank's strength lies in its long-standing relationship with its customers and deep understanding of the Indian market.

ING is a global financial institution of Dutch origin offering banking, insurance and asset management to over 60 million private, corporate and institutional clients in more than 50 countries. With a diverse workforce of over 114,000 people, ING comprises a broad spectrum of prominent companies that increasingly serve their clients under the ING brand.

ING Vysya Bank Limited is an Indian retail bank, formed after the global financial institution ING acquired a 44% stake in Vysya Bank Ltd in October 2002, and took over management of the bank. ING Vysya Bank was set up in 1930 in Bangalore. In 1985, it was the largest Private Sector Bank and in 1993, the number of branches crossed 300. Who would not like to be a part of this prestigious bank? Those interested can apply for ING Vysya Bank Jobs online or via post. ING Vysya Bank, a global financial services company, operates in over 50 countries. It is a vital part of the Indian Banking Industry. In the past 75 years, ING Vysya Bank has enjoyed the good will and loyalty of over 1.5 million customers in India. Besides, thousands of people built their careers in ING Vysya Bank.

ING Vysya Bank Limited provides a range of banking and financial services in India. It offers commercial banking and treasury services. The bank provides retail banking, NRI banking services, private banking, wholesale banking, and financial market services. Its retail banking services comprise accounts and deposits, such as savings accounts, current accounts, term deposits, and de-mat accounts; loans, including personal, home, home equity, and NRI home loans; wealth management services; credit and debit card services; and payment services. The bank offers its banking services to small and medium sized corporate, such as business accounts, working capital, cash management services, trade finance, other non-funded facilities, and term loans for business expansion. Its wholesale banking services include working capital finance, trade and transactional services, foreign exchange, and cash management.

ING Vysya Bank, through its subsidiary, ING Vysya Financial Services Limited, engages in the business of non-fund/fee based activities of marketing and distribution of various financial products/services, such as insurance products and mutual funds. The company was founded in 1930. It was formerly known as The Vysya Bank Limited and changed its name to ING Vysya Bank Limited in 2002. The company is headquartered in Bangalore, India.

ING and Its Working Across the World

ING offers retail banking services in the Netherlands, Belgium, Luxembourg, Poland, Romania, Turkey, India, Thailand and China. Private Banking is offered in the Netherlands, Belgium, Luxembourg, Switzerland and various countries in Asia and Central Europe. Mid Corporate Clients in the home markets (the Netherlands, Belgium, Poland and Romania) are also part of Retail Banking. In its home market, the Netherlands, ING is the largest retail bank by market share, holding 40% of current account deposits, followed by Rabobank (30%), ABN AMRO (20%), and others (10%). Outside of the Benelux, ING's focus is on Central and Eastern Europe, and Asia. In India, ING has a 44% stake in ING Vysya Bank and is the single largest shareholder. In China, ING has a 16.7% stake in Bank of Beijing, the largest city commercial bank in China. In Thailand, ING has a 30% stake in TMB Bank, a universal banking platform with a nationwide network.

ING in India

In India, ING is present in all three fields of banking, insurance and asset management in the form of ING, ING Vysya Life Insurance and ING Investment Management respectively. The presence in all three fields signifies the importance that the group attaches to the Indian markets and the group's operations here, as well as its bullish future outlook on the country.

ING and ING Vysya Life Insurance are headquartered at Bangalore, while the corporate office of ING Investment Management is situated at Mumbai. The synergies arising out of the three distinct but complimentary businesses are bound to be an asset to the group in the changing market dynamics of the future. The first such signs are already visible on the horizon with combined products being successfully launched by the different entities of the group in conjunction with each other.

Interpretation & Analysis of Collected Data

1. Customers of Allahabad have enough awareness level about ING Vysya bank as well as about its services and products.
2. The advertising campaign has successfully been able to increase the market share of ING in Allahabad
3. The modern days technology like Internet banking, phone banking, used by ING bank for providing banking services has sent positive signals in the mind of consumers.
4. The network of ING in Allahabad is lagging behind a little than its competitors like ICICI bank and HDFC bank.
5. It can be distilled from data that ING bank has good market share as compared to its competitors considering the amount of resources deployed by them in the market.
6. It has a very good potential to have the new customers especially the youth because it has the Formula a/c, which is very much liked by the youth in the other cities.
7. Most of the residents of Allahabad don't know about the establishment of ING-Vysya Bank in Allahabad
8. Most of the persons having contacts in big cities know about ING-Vysya Bank very well and also the products.
9. ING-Vysya Bank is providing more facilities to its customers in comparison to other banks such as hospital scheme, investment scheme etc.
10. Locker facilities in ING-Vysya Bank are more modernized in comparison to other banks.
11. Commercials of ING-Vysya Bank have a very deep impact on the minds of people. Even they can remember the name after the 15 days of the telecast of the commercials on television.

12. Operating time for cash counter is from 10 in the morning till 6 in the evening. This is much more than any other bank in Allahabad
13. Most of the market is still unaware about the investment plans and hence by making proper promotional strategy companies can increase their sales.
14. The presence of large number of salaried class. It will provide a fertile ground for ING VYSYA Bank.
15. Trend in investment in mutual funds is increasing, in Allahabad.
16. Presence of large number of educated and professional people who may be converted in to customer.

Findings

1. ING bank has potential a tapped market in Allahabad and hence has opportunities for growth.
2. The products of ING bank have good credibility in the region compare to its competitors.
3. The advertisement of the bank was very effective from the first day of its airing till the fifth day and there after it starts declining.
4. The initial balance for A/C opening is Rs, 5000/- and that's why people are reluctant in opening the same.
5. ING is very much compliance to follow the KYC norms.
6. The size of the locker provided by the ING-Vysya Bank is big in size as compared to other banks.
7. The residents of Allahabad like the products of ING Vysya Bank. Most of them need some change. So, they can be the new potential customers for ING Bank.
8. Even today, the people of Allahabad believe in the government banks. For them, ING Bank is a private bank.

Suggestions

1) More resources should be allocated in the market of Allahabad as there is big untapped market in Allahabad so it becomes necessary for ING bank for taking an edge over the competitors.
2) A short advertising campaign in Allahabad has produced good results in a short span of times, so to gain long term benefits is very necessary for ING bank to carry on this campaign with more intensity.
3) As a number of colleges are going to be opened in Allahabad in the next few years, so ING should try to gain some contacts with these colleges.
5) Most of the people in Allahabad wants that they should not stand in queue in bank. If we can convince them on this, then this can open a vast potential market for ING Bank in Allahabad.
6) The cash withdrawal time can be one of the aspects to gain popularity in Allahabad.
7) The benefits provided by the ING Bank to its customers should be advertised so that people can understand that customers' satisfaction is the main aim for the persons working in ING.
8) The businessman should be convinced on the cash operating time. This makes ING to tap the huge market of Allahabad.
9) ATM accessibility is a very important aspect for a bank, so it's imperative to have a very good ATM Network.
10) Easy to deal with and customer friendly, speedy processes are very important for a bank which goes on to prove that the above three parameters go a long way in building customer base and rapport with them.
11) Delivering on promises and being trustworthy is the other really important factor according to respondents.
12) On the whole, a positive interaction with the customers (customer care) helps in generating sustaining long term relationships with the clients.
13) Internet banking is the upcoming used facility by the people now and customers seldom visit branches, they prefer to do all their transactions on the internet. So it is important to have an excellent internet banking facility.
14) Banks should have other products like Insurance and Mutual funds, which should be marketed aggressively and the existing client base because these are the most preferred option.
15) Most of the customers are happy with their present bank so we need to create any extra facility to make customers inclined towards our bank. Like tie-ups with various outlets, having petro card, etc.
16) Should have tie ups with corporate to have corporate salary accounts so as to increase customer base which in turn increases transactions

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A Study Of Industrial Development Of Aurangabad District In Marathwada Region

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Industrialization is an effective tool of economic and social development. It can be helpful in removing unemployment, increasing income level, optimizing resources, promoting internal and external trade and development infrastructure for further industrialization. Industrial and agricultural sectors are complementary and supplementary to each other. Agricultural production can be pushed through providing agricultural inputs manufactured by industrial sector and diverting surplus production from agriculture for industrial production.

Aurangabad division (Marathwada) is one of the industrially backward region of Maharashtra state Aurangabad division consists of 8 districts viz., Aurangabad, Jalna , Parbhani , Nanded , Beed , Osmanabad , Latur and Hingoli.

Maharashtra state is considered to be the most industrialized state in India in terms of industries and industrial investment.

Objectives of the study

1) To study the industrial growth.
2) To evaluate the direction and composition of progress of industrialization.
3) To ascertain the problems of balanced industrial development in Aurangabad district.
4) To study suggest the measures to overcome them.

Hypothesis

Aurangabad Industrial growth and development is satisfactory and progressive.

Methodology of the study

The methodology adopted for the purpose of project study was collection of necessary data from both primary as well as secondary data. To collect five years necessary information from both primary and secondary sources.

Primary Data

Primary Data is first hand information bearing on research which has been collected by the researcher.

Personal visits have been made to the bank and specially the Loans and Advance departments and discussions were held with the bank officials to know the facts for the study and obtained the answers.

Secondary Data :-

The secondary data collected from annual reports, certain statements, the bye-laws, balance sheet, profit & loss account statement and relevant records and various books of accounts. Pervious project reports and from websites for this study.

Growth Trend

As a part of research methodological framework the pertinent issues of data collection and interpretation are dealt with in the succeeding pages.

Aurangabad has 3405 MSME units generating about 36,871 jobs with an investment of Rs. 404.87 crores it is estimated that by year 20-20 these units will grow to 9000 numbers generating about 95,000 jobs with an investment of Rs. 1050 crores.

The growth of MSME units in a decade Aurangabad is:-

Year	Engg.	Rubber Off-set	printing Paper	Paper Products	Food products	Total	units	Jobs Investment Rs.crores
2000-01	938	270	131	199	34	1492	1493	160.93
09-10	1275	397	188	189	108	2147	36871	404.86

Growth of major large enterprises in a decade Aurangabad.

Year	Engg.	Food & breaverie	Machinery	Rubber/Plastic	Pharma/chem	Other	Total units	Jobs	Investment Cror
2000-01	28	6	28	8	23	30	93	50645	4645.46
09-10	48	11	46	17	36	37	195	80500	7384.00

Br.MSME-Development Institute, Aurangabad

(Ministry of MSME, Govt. of India)

Information technology sector

The IT sector promotion was initiated in Aurangabad since year 2003 along with the formation of HTPI office and IT park in Chikalthana in vicinity to Pune and Mumbai. Good educational base, existence of local IT units and industrial maturity of the city due to manufacturing segment, low cost of operation are plus point of the city for the future IT sector growth.

i) Currently, around 22 IT units are operational employee 2500 professionals. The city has 6 registered HTPI, 100% EOUs exporting services worth Rs, 7 crores per year to USA, Germany, Neatherland, among others.
ii) In past two years, BPOs have been established which are providing services in various languages to local customers and also to few international clients.

Aditya Birla group, Vodaphone are

extending services to their clients, through BPOs at Aurangabad.

iii) Local entrepreneurs viz. Expert global excelize, Steel estimating and Banc bridge have started IT units providing high end services, who have received Maharashtra IT awards in past 5 years.

Key economic drivers :Aurangabad

Industry: Established industries Automobile, Auto components, Pharmaceuticals, Braveries, Food Products, Plastic, Rubber, Paper & Paper products. 36

Tourism: World heritage sites of Ajanta, Ellora and other tourist destinations of Daultabad, Bibi Ka Makbara, attracts large number of tourists.

Agriculture: Cotton, Sugar cane, Maize, Bajra, Jawara, Soybean, Sun flower etc.

Education: Engineering, Management, Medical and vocational fields.

Health: Availability of ample medical facilities with hospitals viz. Govt. hospitals, MGM hospital, Nandlal Dhoot Hospital, Dr. Hadegewar Hospital, Kamalnayan Bajaj Hospital etc.

General issues raised by industry association during the course of meeting:

- Lack of awareness of Govt. Schemes pertaining to NMCP schemes
- Bankers avoid accepting the cases under CGTMSE especially for the new
- entrepreneurs and insisting for the collateral security.
- Local association MASSIA wishes to have representation on National MSME Board as there association is working since 47 years.
- They also need nomination on local Governing Body of IGTR Aurangabad to raise their issues with Indo German Tool Room.
- They need interest subsidy @ 5%.
- Lower the income tax rates for MSME 10% lower side when compared with the corporate sector.
- Higher rate of depreciation on Plant & Machinery.
- Recommendations to add provisions for implementation of Timely payment of MSMEs.
- Increase the limit of CLCSS from 15 lac to 75 lac

Conclusion

The industrial performance of Aurangabad has shown good growth in every sector of industriesover the year of study.

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Multi Brand Retailing In Foreign Direct Investment In India

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Abstract

Investment policy is not made in a vacuum. It is made in a political and economic context that, at the global and regional levels, has been buffeted in recent years by a series of crises in the areas of finance, food security and the environment, and that faces persistent global imbalances and social challenges, especially with regard to poverty alleviation. These crises and challenges are having profound effects on the way policy is shaped at the global level. First, the economic and financial crisis has accentuated a longer-term shift in economic weight from developed countries to emerging markets. Global challenges such as food security and climate change, where developing country engagement is an indispensable prerequisite for any viable solution, have further added to a greater role for those countries in global policymaking. Second, the financial crisis in particular has boosted the role of governments in the economy, both in the developed and the developing world in foreign direct investment (FDI).

Foreign direct investment (FDI)

According to International Monetary Fund, FDI is defined as "Investment that is made to acquire a lasting interest in an enterprise operating in an economy other than that of the investor. The investor's purpose being to have effective voice in the management of the enterprise".

Foreign direct investment (**FDI**)

is investment directly into production in a country by a company located in another country, either by buying a company in the target country or by expanding operations of an existing business in that country. Foreign direct investment is done for many reasons including to take advantage of cheaper wages in the country, special investment privileges such as tax exemption offered by the country as an incentive to gain tariff-free access to the markets of the country or the region. Foreign direct investment is in contrast to investment which is a passive investment in the securities of another country such as stocks and bonds.

Multi-Brand Retailing: The marketing of two or more similar and competing products, by the same firm under different and unrelated brands. While these brands eat into each others' sales (see cannibalism), multi-brand strategy does have some advantages as a means of -

(1) Obtaining greater shelf space and leaving little for competitors' products (2) Saturating a market by filling all price and quality gaps, (3) Catering to brand-switchers users who like to experiment with different brands, and (4) Keeping the firm's managers on their toes by generating internal competition.

Objective of FDI in Multi-Brand Retailing

The **objective** of our study is to analyze the current multi brand retailing in India, investigate the controversial views and evaluate the likely challenges and threats of FDI in Multi-Brand Retailing to organize and unorganized domestic retailers and the country's economy from entry of foreign players. The study also suggests reform measures for removal of such barrier.

Government clears foreign direct investment in India 51% in retail & 49% in aviation

After months of dilly-dallying, UPA mustered courage on Friday to throw open the gates to foreign investment in a host of sectors considered political no-go zones like multi-brand retail and civil aviation in a bid to dispel the perception of policy paralysis.

This will pave the way for the much-awaited entry of foreign retail giants such as Wal-Mart, Tesco and Carrefour into the $450 billion retail market, although their footprint will be limited to million-plus cities in states which have agreed to back the measures.

Foreign direct investment in India Starting from a baseline of less than $1 billion in 1990, a recent UNCTAD survey projected India as the second most important FDI destination (after China) for transnational corporations during 2010–2012. As per the data, the sectors which attracted higher inflows were services, telecommunication, construction activities and computer software and hardware. Mauritius, Singapore, the US and the UK were among the leading sources of FDI. According to Ernst and Young, foreign direct investment in India in 2010 was $44.8 billion, and in 2011 experienced an increase of 13% to $50.8 billion India has seen an eightfold increase in its FDI in March 2012.

The world's largest retailer Wal-Mart has termed India's decision to allow 51% FDI in multi-brand retail as a "first important step" and said it will study the finer details of the new policy to determine the impact on its ability to do business in India. However this decision of the government is currently under suspension due to opposition from multiple political quarters DI provides an inflow of foreign capital and funds, investment in addition to an increase in the transfer of skills, technology, and job opportunities. Many of the benefited from investment abroad. A recent of the effects of foreign direct investment on local firms in developing and transition countries suggests that foreign investment robustly increases local productivity growth.

Govt. view in FDI

Union Commerce Minister Anand Sharma on Monday said the Centre's decision on foreign direct investment (FDI) in multi-brand retail was final, has been taken keeping in view the ground realities and therefore ruled out any scope of second thought on it. where former UPA alliance partner Mamata Banerjee of the Trinamool Congress addressed a rally during the day against the Government's decision, Mr. Sharma said the decision would in its wake bring about many benefits.

The Union Minister insisted that it has been taken to ensure development in villages, provide relief and better remuneration to farmers, prevent wastage of food and to increase employment and productivity. He claimed that FDI in retail would also benefit the consumers as they would get access to greater variety of products at cheaper rates.

Kirana stores to benefit

As for the general grocers or kirana stores, Mr. Sharma said, their interests have also been safeguarded since the Government has made it compulsory for the mega retailers to have 30 per cent of their sales through small retailers. "The kirana stores can further directly benefit from buying from cities and selling them in smaller towns."

On how the economy would benefit, Mr. Sharma said the Government has made it compulsory for the foreign companies to invest at least 50 per cent of their funds for developing backend infrastructure such as cold storages and food grain banks. The Government has also made it mandatory for the mega brand multi retailers to procure at least 30 per cent of its produce from small and medium entrepreneurs.

Mr. Sharma also spoke of how the FDI will bring in strong competition amongst the retailers, eliminate middlemen, prevent hoarding of stocks, reduce the supply constraint and help pass the benefits of low procurement cost directly to consumers. All this would also go towards reducing food-based inflation.

Biggest beneficiary: The biggest beneficiary of FDI in retail, however, will be the farmers, he said, explaining how big retail would buy their produce directly from the farmers, thus providing them at least 15 to 20 per cent more for their produce. Mr. Sharma also pointed out that past experience across the globe suggests that all countries which opened up multi-brand retail to FDI also generated huge employment. In India, he said, about one million jobs are expected to be generated through the initiative which would cover 53 cities with over one million populations initially.

Noting that the only one to lose would be the middlemen, Mr. Sharma questioned the logic behind the NDA now opposing the move though it had itself prepared a Cabinet note during its regime for making 100 per cent provision in FDI.

As the traditional party of banias or traders, the BJP's opposition to foreign direct investment (FDI) in retail is not surprising. There is also an element of cogency in this stance of both the Left and the BJP. While the comrades are motivated by their ideological aversion to anything linked to America, the BJP is guided by considerations of safeguarding one of its major support bases — the lower middle class trading community of orthodox Hindus.

What is interesting, however, is the BJP's decision to firm up this strategy even though it is at odds with the growing consumerist culture, which is reflected in the burgeoning malls, multiplexes and Indian supermarkets. Its warning, therefore, to prospective foreign investors in retail that they will have to quit if the BJP comes to power can be interpreted as an effort to hold on to its only seemingly secure group of supporters, even if it alienates other sections of the middle class. Arguably, it denotes a sense of desperation about the party's chances in 2014.

Apart from its present compulsions, what this stance indicates is how the Left and the Right are changing their positions in India. For a major part of India's post-independence history, the Jana Sangh, which was the BJP's earlier avatar, was known as a pro-business and pro-American right-wing party while the Congress was seen as left-of-centre and not particularly fond of the US.

Other View Of Fdi: Kishore Biyani, Chairman, Futur Group, Mumbai

"We are hoping this time the government will stick to its decision (allowing FDI in multi-brand retail) because that is absolutely essential.

"The decision to let individual states decide on whether they want it is a good decision. This should satisfy people who are opposing it. The industry is convinced once a few states implement it the others will see the benefits and definitely consider it as well."

Sharan Lillaney, Aviation Analyst, Angel Broking, Mumbai

"FDI in aviation has always been approved; this is just an approval for foreign airlines. This was not something out of the extraordinary, so there is no question of it being reversed."

"I don't think there will be a flurry of investments, but airlines in better shape will definitely see interest from foreign airlines, such as Spice Jet, Indigo or Jet."”There are a lot of people interested."

Praveen Khandelwal, General Secretary, Confederation Of All India Traders

"It is unfortunate that despite opposition from their own allies they have chosen to again reopen foreign investment into the sector. It is surprising the government has again reopened the sector without announcing any solid measures to protect small traders.

"We will oppose this move even more strongly this time and are hopeful the government will roll back its decision just the way they did last time."

Taina Erajuuri, Fund Manager, Fim Asset Management, Helsinki

"This is a great news. I have been waiting for a long time and I had almost given up.

"Foreign investors were getting fed up with India because nothing was happening there. People would now feel more comfortable to see at least some of the reforms measures going through."

Harish Agarwal, Bond Dealer, First Rand Bank, Mumbai

"The bond market is unlikely to react much ahead of the policy. The reform moves may prevent the rating downgrade or delay that for the next 3-6 months. The market will await the second half borrowing calendar to see how much the fiscal slippage is.(Times of India, The Hindu, Lokmat etc)

Challenges And Threats

Quoting figures on the retail sector At present, the domestic retail sector (excluding villages and towns) is about $500 billion annually, which is expected to be $900 billion by 2014. More than 20 crore people are trading on footpath without having fixed shop in vegetable markets across the country. Farmers, small milkmen, fruit producers and others also earn their livelihood through retail trading upon footpath, small shops and upon hand cart across the country.

"the notification has been issued in the name of reform but, in fact, it is a sale of India, citizens of India, their business and future of the country to foreigners.'

The notification would hit the life and livelihood of more than 35 crore citizens of India "who are surviving through their small retail trade upon footpath, small shops, hand-trolley and even door-to-door, (THE HINDU)

It may be imagined that, if the entry of trans-nationals in retail trade leads to harmful consequences, the government can restrict and regulate their activities, or even remove them altogether. However, TNCs in services are striving to bring in changes in the General Agreement on Trade in Services (GATS) to ensure that their entry is irreversible and ever-expanding.

A number of concerns have been raised with regard to opening up of the Multi-brand retail sector in India.

Threats

Retail in India has tremendous growth potential, Retail is already the second largest employer in India and any changes by bringing major foreign retailers who will be directly procuring from the main supplier will not only create unemployment on the front end retail but also the middleman who have been working in this industry and the chain will impact the governments growth and employment problems in a long term.

It would lead to unfair competition and ultimately result in large-scale exit of domestic retailers, especially the small family managed outlets, leading to large scale displacement of employed in retail sector. Further, as the manufacturing sector has not been growing fast enough, the persons displaced from the retail sector would not be absorbed there

There has been an overwhelming apprehension among political parties of different hues that the entry of foreign direct investment in retail business would signal the end of the conventional small "mom and pop" (kirana) stores as they would be swamped by the multi-national corporations.The Indian retail sector, particularly organized retail, is still under-developed and in a nascent stage and that, therefore the companies may not be able to survive in the ex-parte competition and may give up in front of global giants.

Before investment approval is given, the application of foreign investors has to pass through various transfer channels which are dominated by the Bureaucrat. This is referred to as Red Tapism. This results into delay in decision making regarding investment beginning. Delay in approvals leads to disinterested corporate giants.

Corruption is another major concern. India has a number of anti-corruption cells and anti-corruption acts, but some foreign firms have identified corruption as one of the major obstacles to FDI in India.

A National Commission should be set up to study the problems of the retail sector which should also evolve a clear set of conditionality's on foreign retailers on procurement of farm produce, domestically manufactured merchandise and imported goods. This conditionality's must state minimum space, size and other details like construction and storage standards.

Entry of foreign players must be gradual with social safeguards so that the effects of labor dislocation can be analyzed and policy fine tuned. Foreign players should initially be allowed only in metros.Half the jobs created by new retail chains should be reserved for rural youth.

Conclusion

It is widely believed that foreign investment is a key component in the growth process of any developing country. But it is not the only factor that could help for the sustained growth. It must be supported by well-planned micro and macroeconomic policies. These policies taken together create a viable investment climate. The foreign direct investment and politically sensitive multi brand retail have been facing a lot of trouble being united and worked upon. The challenge lies in the 2 side issue-debate with multi brand industrialist and domestic retailers. While the former believe that industrial lobby group representing foreign companies and industries are seeking towards investment, the latter fear for their future. Concluding the research paper, we would propose that the investment may lead to an interruption in the smooth flow of the economy and would lead to external dominance.

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Role Of Human Resource Management In Organizations

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Introduction

As human resource management is concerned with the people dimension in organization, at first, we should know organization in detail. Organizations are human associations in which two or more people seek to achieve a common goal or set of goals. In other word, organizations are established by the people and for the people. It consists of people working together through interrelationships and interactions. Organizations are created to achieve different goals. To achieve goals it should run various activities. Therefore an organization must consist of a structure, which defines jobs and relationships. In organization, different levels and division of jobs are defined to achieve specialization through division of labours. Organization design and job descriptions are the part of organizational structure, which limit the behaviour of the members in organizations.This paper focused on the modern management philosophy & its function and Objective of the paper is to study the details of modern management philosophy & its function Methodology –The analysis of this paper is totally depend upon secondary data like journal, books and various website from internet

What is Human resource management?

Human resource management is concerned with the people dimension in organization. It according to Decenzo and Robbins is "Human resource management is a process consisting of four functions-acquisition, development, motivation and maintenance of human resources."

According to Gary Dessler:- "Human resource management refers to the policies and practices one needs to carry out the people or human resource aspects of management position including recruiting, screening, training, rewarding and appraising."

According to G.R. Agrawal:- "Human resource management is a process concerned with the management of human energies and competencies for achieving organizational goals through acquisition, development, utilization and maintenance of a competent and committed workforce in a changing environment."

Human resource management regards people as the most important resource of an organization. It's all policies and practices are oriented towards improving human resources' performance, which directly contribute to the achievement of organizational goals.

Four major functions of human resource management

Acquisition functions:- It begins with planning of man power. It includes job analysis, recruitment, selection and socialization of employees.

Development functions:- It has four dimensions.

i. **Analyzing development needs**: - It involves human resource development planning for employees to predetermine future human resource development needs.
ii. **Employee training: -** It involves skill development and change of attitude of human resources.
iii. **Management development**:- It involves knowledge acquisition and executives conceptual ability.
iv. **Career development**:- It matches the long-term individual and organizational needs.

Utilization functions:- This function ensure willingness of employees for increasing productivity by doing jobs effectively. It consists of employing people productively through: motivation, job esign and work scheduling, performance appraisal and compensation management.

Maintenance function:- This function maintains the commitment of the employee to the organization. It consists of: employee discipline, labour relations and employee welfare.

The rising interest in HRM of the modern management philosophy

From all these discussions, we came to know that passing through different stages employee management has gained current name human resource management. It has undergone extraordinary changes in the past. We can predict that the next generation will bring changes of similar magnitude. The past quarter century has seen significant changes in our society brought about by technological advancements, social alternations, economic influences and political pressures. These changes has directly affected the human resource practices and the changes that era likely to occur furthermore will also make affect on it. In this situation the role of human resource management has got more crucial. Specially, the following changes in the environment can be considered as the factors for rising interest in human resource management.

Increasing cut-throat competition:- Currently, organizations are facing increasing internal and external competitions. Due to this, product life cycles are getting shorter. It one starts to produce a new product, in no time, the same kind of product, produced by another company will be found in the market. Beside this, the size and complexity of organizations are increasing day by day. To face these growing challenges of competition, innovative human resource management and practices are needed.

Globalization:- Globalization is the tendency of the firm to extend their sales or manufacturing into new market abroad. It has facilitated trade without borders. Globalization of markets and manufacturing has vastly increased international competition. In global competition, some firms are doing well while others are failed. Those firms who have been successful have highly focused on their human resources activities in selection, training and compensation policy. Due to this fact many firms are paying their interest in human resource management.

Technological changes:- Technology is changing rapidly. Organizations must keep up pace with technological changes and implement them in the workplace. Technology is only the mean to increase productivity. To utilize this mean needs the skilled man power, who can handle it easily and efficiently. Due to this fact, there is the need of human resource management. Besides, information technology has brought a change in organizational structure. The pyramid shaped organizations are now flattening. The hierarchy has fallen down to flattened. In the changing condition, to adjust with these changes, new job has to be written in a new way, new organization structure is needed to be designed, evaluation and selection method is needed to be changed. This all necessities have increased the interest in human resource management.

Work-force diversity:- Diversity means different. In human resource management context, different regards in the sense of sex, colour, age, caste, creed, culture, religion and language etc. Moreover, different also regards in the sense of highly educated, mid-educated, highly skilled, mid-skilled, low-skilled etc. Today composition of work-force has been quite diversified. Different people have different need and interest. They have different perception, experiences, learning habit, personality etc. To understand the need of different people, to manage them, to create organizational climate and culture, to develop the feeling of team-work, human resource management plays the important role through its activities. it is human resource management which brings all the people of different nature under the same umbrella of organization. It is the most significant task done by human resource management, which other management cannot perform. This has played a vital role in rising interest in human resource management.

Nature of work:- Technological and globalization trend has changed the nature of jobs and works. Development on information technology has completely changed the formulation of working style. 1 person with the help of computer can do a work, which needs 10 people to complete before. To work with computers, trained human resources are needed. This is also a reason, which has caused rising interest in human resource management.

Changing Environment:- Now days, everything in this world is changing at a nano-second pace. The future belongs to those who can best manage change. Committed and competent employees are essential to manage change. It is human resource management that plays and important role in fostering employee commitment to change. The interest in human resource management is increasing because it enables organizations to better manage change.

Conclusion

Without human resources, no organization can achieve its goals. Among all the resources in organization, human resource is the most important. It regards to the modern management philosophy of human resource in organizations.

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Financial Management Of Seed Industries : A Case Study Of Bejosheetal Seeds Ltd.

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Introduction

The Indian seed industry is the eight largest industry in the world with an estimated value of INR 49 billion (USD 1.06 Billion) and with an annual growth rate of 12% to 13%. The industry has shown a buoyant growth over the last two years on well supportive monsoons. The development of private seed industry is no more confined to just production and marketing of seed. It has well acquired technological strength to cater to the varietals needs of tomorrow. Along with industries Indian farmers have in recent needs to tomorrow. Along with industries Indian farmers have in recent years adopted intensive cultivation practices in order to meet the growing demand for agriculture produce.

Looking at the production capacity of Indian seeds industry it need to growth. 70% of India's seeds' sales come from farmer bred seeds, 26% from those bred in publicly financed institutions, and only 4% from researched hybrids. The domestic hybrid seeds market is placed at INR 4.9 Billion and is annually growing at 10% a year, against the 5% global growth rate. The organized seed industry of the country is just 40 years old. There are about 150 companies playing important role in Indian seeds industry.

Importance and significance of the study

The main aim of the organizational study is to acquire the knowledge regarding the functional as well as the management aspects of an organization. The study will highlight on the overall structure of the organization. Study will also cover overall functioning of the firm and financial performance. The overall growth of Indian economy is depending on agriculture sector. If agriculture avail good facilities and seed then it will possible to growth in economy. Hence present study is getting importance and wide scope for the research.

Rationale

BejoSheetal Seeds Ltd. is one of the best seed company in India. Company has good labour facilities which cares the needs of the workers and consequently increase the love and affiliation of the workers toward the organization. Bejo Sheetal Seeds Ltd. is inferior in promotional activities like demonstration, farmers meeting and campaigning. Bejo sheetal is having good range of hybrids and backed by good research facilities. Means it is the leading company in Indian seed companies. So this study is an important step in the field of research.

Objectives of the study

1) To know and highlight financial position of the company.
2) To know the different ratio related with financial inclusion.
3) To understand the application of theoretical knowledge in the practical corporate working.
4) To acquire the knowledge regarding the functional as well as the management aspect of an organization.

Research Methodology& Limitations

Selection of appropriate methodology is very important task in research. This study is related to seed industry i.e. Bejo Sheetal Seeds Ltd. most of the information is collected from company annual reports. To find out certain truth outcomes it is necessary to draw boundaries. So only one seed company is selected for the study purpose. Financial analysis of Indian Seeds companies is the main agenda of the paper. SoBejosheetal Seeds Ltd. Company is selected with using convenience sampling method. Purposive sampling methodology also been used because purposefully this company is selected for the study. There is lot of aspect to study but due to limitation of paper boundaries and time limit only one company is selected with the view of financial management. It is not possible to discuss brief profile of the company and overall financial position so with the help of some statistical formats only selected ratios are calculated and discussed in last three years. Findings are drawn with the help of available data, sohope it can be nearer to the truth.

Collection of Data

Secondary data has been used and collected from different departments of the companies. Financial data collected from company official as well as company portals. With this there is involves related books, journals, websites etc.

Expected contribution from the study

This study will be useful for the entire seeds companies in Maharashtra as well as India. Seed is the main aspect in agriculture sector. If the farmers get good quality of seed then definitely production will be grow. Means it is the sign of development of agriculture sector. So farmers or beneficiaries will be centered point in this study. Without co-operation or TPM one cannot got the success in this field. So company official or managerial person's view as well suggestions will be mile stone for the research.

Challenges before the seed industry

1) To provide quality seeds, either by itself or through an effective public private partnership, to farmers so that they can improve their quality of life.
2) To discharge effective the role of a reliable partner for sustainable growth in Indian agriculture
3) To intensify R&D for future generation seeds.
4) To strive to continuously enhance farmer education to enable them to take informed decisions.
5) To substantially increase the seed replacement rate in the overall interests of farmers
6) To create a diverse, competitive, responsive and a mature seed market for the benefit of farmers.

Bejosheetal at a glance

Bejosheetal seeds Pvt. Ltd. operations started at Jalna District of Maharashtra in India. This was the time when limited vegetable seeds knowledge was available in India. Mr. Suresh Agrawal started this company in short period. At started onion, chilli pepper, Tomato, Brinjal, Okra, Cucumber, Melons, Gourds etc. seeds he produced. Mr. Suresh Agrawal had a vision for need of farmers in India. he identified the scope of serving Indian farmers for the betterment of the farmer's life which directly or indirectly contributes the development of country.

Company was set up in 1986 as joint venture between Bejozaden B. V. of Netherlands and Sheetal Hybrid seeds company of India. Bejosheetal is dedicated for developing and supplying quality vegetable seeds for the farmers of India and SAARC countries using its excellence in vegetable breeding. Having strong research activities in various regions of India with the inputs of expert team developed more than 700 research hybrids of vegetables.

Table No. 1.1

Major Hybrids of BejoSheetal

Sr. No.	Name of the Product	Brand Names (Varity)
1	Tomato	Tasty, BSS-211, 282, 320, 350, 366, 369, 419, 420, 422, 423, Sartaj, Tolstoy, Rakshak, Param, Rahul, Sultan, Charm etc.
2	Watermelon	BSS-358, 359, 360, 408, Swapnil, Sweetbaby etc.
3	Brinjal	BE-706, BE-707, Chaya, Pinki, Black Boy, Shilpa, Sandhya etc.
4	Bitter Gourd	Parachi, Priya, Sonam, Poonam etc.
5	Okra	Anokhee, Karishma, Saloni, Parful etc.
6	Cauliflower	Goodman, Fastman, Cassius, Somerast, Amazing, Latemen etc.
7	Cabbage	Red cabbage primero, Benson, General, Fresco, Governor, Rotonda, Fieldrocket, Gonzales, Morries, Fieldman etc.
8	Sweet Corn	Komal
9	Chilly	BSS-89, 140, 141, 202, 213, 219, 266, 269, 270, 273, 304, 305, 306, 307, 308, 414, 344, 375, 378, 376, 413 Anmol etc.
10	Capsicum	BSS-89, 399, 421.
11	Broccoli	Fiesta
12	Carrot	Samson-196, Bangor, Carson, Organza.
13	Onion	Lucifer, Flare, Orient, BSS-333
14	Bottle Gourd	Akash, Shramik, BSS-333

Source: Annual report of Bejosheetal Co. Ltd (2009-2011)

Indian Economy is highly depend upon agriculture product. Means there is need of better seed companies in India, it will help to the farmers that they can get better seeds. Bejosheetal is one of the major milestone company serving nice quality of seed to the Indian Farmers. Table No. 1.1 show the major product of company. Excluding thisthere are so many other products which are in the basket of Bejosheetal Ltd. Means company producing totally 14 major product.

Financial Analysis

Table No. 1.2

Financial Indicator of Bejosheetal Seeds Ltd.

Sr. No.	Ratio/ Financial Indicator	2009	2010	2011
1	Current Ratio	1.17	1.55	1.81
2	Liquid/ Quick Ratio	1.02	1.35	1.5
3	Current Asset to Fixed Asset	0.67	0.68	0.69
4	Gross Profit Ratio	16.49	17.48	18.12
5	Net Profit Ratio	-0.19%	6.26	6.20
6	Operating Profit Ratio	0.94	91.89	91
7	Return of Total Asset Ratio	-0.13	9.88	11.2
8	Inventory Turnover Ratio	10.86	29.77	22.81
9	Debtors Turnover Ratio	3.16	7.54	5.79
10	Fixed Asset Turnover Ratio	1.15	2.89	3.01

Source: figures are calculated, using standard statistical formulas

Before discussing above table it can beclear that the financial position of the company. This ratio is itself self-explanatory.

The liquidity position as measured by current ratio is better in case of year 2011 as compared to previous year as it is near to the standard ratio of 2:1. There is increasing trend in the liquid ratio over the period. It is good sign for the company. Profitability ratio is the indicator of its ability to make regular payment of interest and borrowed funds. Gross Profit ratio indicates the relation between production cost and sales and the efficiency with which the good are produced. A high gross profit ratio may indicate that the organization is able to produce at a relatively lower cost. As compare to sales COGS is decreased over the years hence GP ratio shows increasing trend. Net profit indicates that sales available to the owners after the consideration of all expenses cost and taxes. In the year 2009 Net Profit ratio is in negative due to heavy incorporation expenses then it increase in the year 2010 as compared to previous year. But in 2011 it slightly goes down due to increase in personnel cost. Operating profit shows the relationship between the net sales and operating net profit. Operating ratio indicates that in the year 2009, 0.94% of sale have been consumed together by the cost of goods sold and other expenses. In the year 2010 and year 2011, 91.89% and 91% of sales have been consumed together by cost of goods sold and other expenses. There is increasing trend in the ratio shows that the company is utilizing its total assets quite efficiency. Funds of creditors and owners are invested in various assets to generate sales and profits. There was decrease in inventory turnover ratio in 2011, due to increase in inventory of raw material. Debtors turnover ratio show decrease trend in 2011 due to the liberal credit policy applied by the company to attract more sales during global meltdown. Fixed turnover ratio shows that the firm utilizing its fixed asset efficiently because it showed increased percentage during the period. There was high increase noted in fixed asset turnover due to steep decrease in sundry debtors.

Findings

Bejosheetal is one of the leading seed industries in producing various types of hybrid seeds. It was found during the study that it is indeed a healthy organization with a lot of unique functions, the industry basically being a hybrid seeds industry has a large investment in the research and development. There is well established organizational structure, although there are many departments it is functioning very well and active. Bejosheetal seeds has introduced good labour welfare facilities which care the needs of workers and consequently increase the love and affiliation of the workers towards the organizations.

1) Bejosheetal Seeds Ltd. is inferior in promotional activities like demonstration, farmers meeting and campaigning.
2) Bejosheetal is having good range of hybrids and backed by good research facilities so it can cover a large area of market.
3) This company having good financial position and also earning good profits in the past years.
4) Sales of the company are increasing which is due to the marketing activities which the company is undertaking in the markets.

Suggestions

1) Bejosheetalcompany should take steps to manage the lead time in the production process because this may sometime hamper the brand image of the company.
2) Bejosheetal should not dispatch its product without proper quality check.
3) Bejosheetal should adopt innovation and changing environment.
4) Bejosheetal should target chili product to capture more and more market in future.

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Financial Inclusion In India : Past & Future

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Abstract

Third world country is mainly focuses on financial empowerment of disadvantage group or the vulnerable groups, such as financially weaker sections and low income groups, financially illiterate people and tries to elimination of poverty, improve the standard of living and provide financial education and services or facilities to those people who are financially illiterate, low educate and economically poor. Even after 60 years of independence of India, a large section of Indian population still remains unbanked. This malaise has led generation of financial instability and pauperism among the lower income group who do not have access to financial products and services. However, in the recent years the government and Reserve Bank of India has been pushing the concept and idea of financial inclusion. For the purpose to this various financial and non-financial institution has taken an initiative and follow various activities in the rural India like financial literacy, financial education and financial support to low income group through banking, No frill account, etc. and provide these financial services to rural citizen of India to develop their financial strength and empower them to survive with good financial status in the society

Keywords: Financial Inclusion, Financial empowerment, status of financial inclusion, etc.

Introduction

Poverty and exclusion continue to dominate socio-economic and political discourse in India as they have done over the last six decades in the post-independence period. Poverty reduction has been an important goal of development policy since the inception of planning in India. Various anti-poverty, employment generation and basic services programmes have been in operation for decades in India. The ongoing reforms attach great importance to removal of poverty and to addressing the wide variations across states and the rural-urban divide. Though the Indian economy recorded impressive growth rates until recently, its impact has sadly not fully percolated to the lowest deciles. Despite being one of the ten fastest growing economies of the world, India is still home to one-third of the world's poor. Further analysis shows that poverty is getting concentrated continuously in the poorer states.

In developing economies like India, the banks, as mobilizes of savings and allocators of credit for production and investment, have a very critical role. As a financial intermediary, the banks contribute to the economic growth of the country by identifying the entrepreneurs with the best chances of successfully initiating new commercial activities and allocating credit to them. At a minimum, all retail commercial banks also provide remittance facilities and other payment related products. Thus, inherently, the banking sector possesses a tremendous potential to act as an agent of change and ensure redistribution of wealth in the society.

However, it is disheartening to note that the number of people with access to the products and services offered by the banking system continues to be very limited even years after introduction of inclusive banking initiatives in the country through measures such as the cooperative movement, nationalization of banks, creation of regional rural banks, etc. As Nobel Laureate Prof. Amartya Sen has also noted, "the thrust of developmental policy in India has undergone a paradigm shift from an exclusive focus on efficiency to one on equity; from the rate and pattern of growth, and on inequalities, distribution of income and wealth to the extent to which people are deprived of the requirements for leading a fulfilling life and suffer 'capability deprivation'. Over the past five years, Reserve Bank of India, as also other policy makers have resolutely pursed the agenda of financial inclusion and achieved discernible progress in improving access to financial services for the masses. However, the progress is far from satisfactory as evidenced by the World Bank Findex Survey (2012). According to the survey findings, only 35% of Indian adults had access to a formal bank account and 8% borrowed formally in the last 12 months. Only 2% of adults used an account to receive money from a family member living in another area and 4% used an account to receive payment from the Government. The miniscule numbers suggest a crying need for a further push to the financial inclusion agenda to ensure that the people at the bottom of the pyramid join the formal financial system, reap benefits and improve their financial well-being.

The importance of financial inclusion has been emphatically underlined in the wake of the financial crisis. As we all know, the crisis has had a significant negative impact on lives of individuals globally. Millions of people have lost their livelihoods, their homes and savings. One of the prominent reasons for the crisis was that the financial system was focused on furthering its own interests and lost its linkage to the real sector and with the society at large. The crisis also resulted in a realization that free market forces do not always result in greater efficiency in the financial system, particularly while protecting the interests of the vulnerable sections of society. This is due to the information asymmetry working against these sections, thereby placing them at a severe disadvantage. In wake of the Crisis, therefore, Financial Inclusion has emerged as a policy imperative for inclusive growth in several countries across the globe. However, though much lip service has been paid to Financial Inclusion, the actual progress has remained far from satisfactory. As I always mention, it is regrettable that the entire debate surrounding financial inclusion has generated significant heat and sound, but little light.

Objectives of Financial Inclusion

Reserve Bank of India seek to achieve as part of our financial inclusion drive. We have defined Financial Inclusion as the "process of ensuring access to appropriate financial products and services needed by all sections of the society in general and vulnerable groups such as weaker sections and low income groups in particular, at an affordable cost in a fair and transparent manner by regulated, mainstream institutional players". We consider Financial Inclusion and Financial Literacy as twin pillars where Financial Inclusion acts on the supply side i.e. for creating access and financial literacy acts from the demand side i.e. creating a demand for the financial products and services.

Unrestrained access to public goods and services is the sine qua non of an open and efficient society. Banking services are essentially for welfare of the public. It is imperative, therefore, that the availability of banking and payment services to the entire populace without discrimination is the avowed objective of public policy. In our considered view, providing access to basic banking services is the first phase of the financial inclusion process. We are also convinced that only the mainstream, regulated financial players are capable of bringing about meaningful financial inclusion as they have the ability to make the necessary investment in the build up phase and also cross-subsidize the services in the initial stages till they become self-sustaining. Our focus on banks as the principal vehicle for financial inclusion also stems from the fact that only they can offer the entire suite of products that would facilitate meaningful financial inclusion.

Now turn to how Financial Inclusion can help the society and the economy. Financial Inclusion has the ability to generate positive externalities: it leads to increase in savings, investment and thereby, spurs the processes of economic growth. It also provides a platform for inculcating the habit of saving money, especially amongst the lower income category that has been living under the constant shadow of financial duress, mainly because of absence of savings, which makes them a vulnerable lot. Presence of banking services and products aims to provide a critical tool to inculcate the savings habit. It also creates avenues of formal credit to the unbanked population who are otherwise dependent on informal channels of credit like family, friends and moneylenders. Availability of timely, adequate and transparent credit from formal banking channels will allow the entrepreneurial spirit of the masses to increase outputs and prosperity in the countryside. It will open the doors of formal remittance facilities to the low income and unbanked populace who, presently, are forced to use all kinds of informal and costly ways of sending money from one place to another. As we all know, Financial Inclusion has now been viewed as a remedy to plug gaps and leaks in distribution of government benefits and subsidies through direct benefit transfers to beneficiaries' bank accounts rather than through subsidizing products and making cash payments. Thus, on the whole, Financial Inclusion has the potential to bring in the unbanked masses into the formal banking system, channelize their savings, stoke their entrepreneurial ambitions by making available credit and thus give a fillip to the economy.

Approach to Financial Inclusion

Reserve Bank of India's approach towards Financial Inclusion. We have adopted a structured, planned and integrated approach towards Financial Inclusion by focusing on both the demand and supply side constraints. Some of the defining features of our approach to Financial Inclusion are:

- We have adopted a bank-led model for Financial Inclusion, but have permitted non-bank entities to partner banks in their Financial Inclusion initiatives.
- As a philosophy, we have always encouraged banks to pursue Financial Inclusion as a commercial activity and to not view it as social service or charity. The self-sustainability and commercial viability of the FI initiatives are important if banks have to scale up their operations to cover more unbanked areas.
- We have encouraged banks to leverage technology to attain greater reach and penetration while keeping the cost of providing financial services to the minimum. While we remain technology neutral, we require banks to seamlessly integrate whatever technology they choose, with their Core Banking Solution architecture.
- We have advised banks to adopt innovative business models and delivery channels to expand their Financial Inclusion efforts. There is a need for banks to develop new

products and design new delivery models that are customized to the unique needs of the financially excluded population, both in the rural and urban areas.

- Considering that financial Literacy is an important adjunct for promoting financial inclusion, consumer protection and ultimately financial stability, Reserve Bank of India has adopted an integrated approach wherein efforts towards Financial Inclusion and
- Financial Literacy would go hand in hand. Besides the various initiatives taken by RBI individually to encourage financial literacy, a National Strategy for Financial Education (NSFE) has also been finalized under the aegis of the Financial Stability and Development Council (FSDC) to co-ordinate efforts of various stakeholders involved in this process.
- The Reserve Bank has been playing a supportive role in Financial Inclusion by creating a conducive regulatory environment and providing institutional support to banks in their Financial Inclusion efforts.Importantly, we have provided banks the freedom and the space to determine their own strategies for rolling out Financial Inclusion and have encouraged them to identify their own goals and targets through their respective Financial Inclusion Plans.

Robust Institutional Mechanism

Our strength lies in the fact that we have created a robust institutional mechanism to support the roll out of banking services across the country. This was essential considering the enormity of the task in terms of the number of excluded people and the geographical size of the country.

- India is one country where the FSDC has a specific mandate for financial inclusion and financial literacy. There is a separate Technical Group on Financial Inclusion and Financial Literacy under the aegis of FSDC with representation from all the financial sector regulators.
- In order to spearhead efforts towards greater financial inclusion, RBI has constituted a Financial Inclusion Advisory Committee (FIAC) under the Chairmanship of a Deputy Governor from RBI. The FIAC has few Directors from the Central Board of RBI and experts drawn from NGO sector/other civil society representatives, etc. as members. The collective expertise and experience of the members is expected to be leveraged to explore issues such as developing viable and sustainable banking services delivery models focusing on accessible and affordable financial services, developing products and processes for rural as well as urban unbanked consumers.
- At the state level, we have State Level Bankers Committees (SLBC) in all the states. Going further down, we have Lead District Managers in all the 659 districts, with recent inclusion of the metropolitan areas into the Lead Banks Scheme.
- About 700 financial literacy centers have been set up by banks. There are Rural Self-Employment Training Institutes (R-SETI), working towards capacity building for taking up self employment ventures.

RBI's Policy Initiatives to foster Financial Inclusion

Let me now turn to some of the supporting policy initiatives that RBI has taken to further the Financial Inclusion in the country.

(a) Reach

Branch expansion in rural areas

Branch authorization has been relaxed to the extent that banks do not require prior permission to open branches in centers with population less than 1 lakh, which is subject to reporting. To further step up the opening of branches in rural areas, banks have been mandated to open at least 25 per cent of their new branches in unbanked rural centers.

In the Annual Policy Statement for 2013-14, banks have been advised to consider frontloading (prioritizing) the opening of branches in unbanked rural centers over a three year cycle co-terminus with their FIPs. This is expected to facilitate the branch expansion in unbanked rural centers.

Agent Banking - Business Correspondent/ Business Facilitator Model

In January 2006, the Reserve Bank permitted banks to utilize the services of intermediaries in providing banking services through the use of business facilitators and business correspondents. The BC model allows banks to do 'cash in - cash out' transactions at a location much closer to the rural population, thus addressing the last mile problem.

Combination of Branch and BC Structure to deliver Financial Inclusion

The idea is to have a combination of physical branch network and BCs for extending financial inclusion, especially in geographically dispersed areas. To ensure increased banking penetration and control over operations of BCs, banks have been advised to establish low cost branches in the form of intermediate brick and mortar structures in rural centers between the present base branch and BC locations, so as to provide support to a cluster of BCs (about 8-10 BCs) at a reasonable distance of about 3-4 kilometers.

(b) Access

Relaxed KYC norms/ No Frill Account

- Know Your Customer (KYC) requirements have been simplified to such an extent that small accounts can be opened with self certification in the presence of bank officials.
- RBI has allowed 'Aadhaar' to be used as one of the eligible documents for meeting the KYC requirement for opening a bank account.

Roadmap for Banking Services in unbanked Villages

- In the first phase, banks were advised to draw up a roadmap for providing banking services in every village having a population of over 2,000 by March 2010. Banks have successfully met this target and have covered 74398 unbanked villages.
- In the second phase, Roadmap has been prepared for covering remaining unbanked villages i.e. with population less than 2000 in a time bound manner. About 4,90,000 unbanked villages with less than 2000 population across the country have been identified and allotted to various banks. The idea behind allocating villages to banks was to ensure availability of at least one banking outlet in each village.

(c) Products

Bouquet of Financial services

In order to ensure that all the financial needs of the customers are met, we have advised banks to offer a minimum of four basic products, viz.

- A savings cum overdraft account
- A pure savings account, ideally a recurring or variable recurring deposit
- A remittance product to facilitate EBT and other remittances, and
- Entrepreneurial credit products like a General Purpose Credit Card (GCC) or a Kisan Credit Card (KCC)

(d) Transactions

Direct Benefit Transfer

The recent introduction of direct benefit transfer, leveraging the Aadhaar platform, will help facilitate delivery of social welfare benefits by direct credit to the bank accounts of beneficiaries. The government, in future, has plans to route all social security payments through the banking network, using the Aadhaar based platform as a unique identifier of beneficiaries. In order to ensure smooth roll out of the Government's Direct Benefit Transfer (DBT) initiative, banks have been advised to:

- Open accounts of all eligible individuals in camp mode with the support of local Government authorities.
- Seed the existing and new accounts with Aadhaar numbers.
- Put in place an effective mechanism to monitor and review the progress in implementation of DBT.

Financial Inclusion Plan of banks

Financial Inclusion Plan 2010-13

We have encouraged banks to adopt a structured and planned approach to financial inclusion with commitment at the highest levels, through preparation of Board approved Financial Inclusion Plans (FIPs). The first phase of FIPs was implemented over the period 2010-2013. The Reserve Bank has sought to use the FIPs as the basis for Financial Inclusion initiatives at the bank level. RBI has put in place a structured, comprehensive monitoring mechanism for evaluating banks' performance against their FIP plans. Annual review meetings are being held with CMDs of banks to ensure top management support and commitment to the Financial Inclusion process.

What has been achieved so far?

A snapshot of the progress made by banks under the FIPs (April 10 – March 13) for key parameters, during the three year period is as under:

- Nearly 2, 68, 000 banking outlets have been set up in villages as on March 13 as against 67,694 banking outlets in villages in March 2010
- About 7400 rural branches opened during this period
- Nearly 109 million Basic Savings Bank Deposit Accounts (BSBDAs) have been added, taking the total no. of BSBDAs to 182 million. Share of ICT based accounts have increased substantially – Percentage of ICT accounts to total BSBDAs has increased from 25% in March 10 to 45% in March 13
- With the addition of nearly 9.48 million farm sector households during this period, 33.8 million households have been provided with small entrepreneurial credit as at the end of March 2013
- With the addition of nearly 2.25 million non farm sector households during this period, 3.6 million households have been provided with small entrepreneurial credit as at the end of March 2013.
- About 4904 lakh transactions have been carried out in ICT based accounts through BCs during the three year period

It is important to analyse this progress against the some disconcerting trends that were noticed in the run up to the structured Financial Inclusion initiatives that the banks launched since 2010 onwards. First, the number of banked centers in the country between 1991 and 2007 had actually come down (from 35236 to 34471). Second, the number of rural branches during the same period had also declined significantly (from 35206 to 30409). Against this backdrop, the progress made during 2010-13 is certainly remarkable.

Financial Inclusion Plan 2013-16

In order to continue with the process of ensuring access to banking services to the excluded, banks have now been advised to draw up a fresh 3 year Financial Inclusion Plan for the period 2013-16. Banks have also been advised that the FIPs prepared by them are disaggregated and percolated down up to the branch level. The disaggregation of the plans is being done with a view to ensure involvement of bank staff across the hierarchy, in the FI efforts and also to ensure uniformity in the reporting structure under the Financial Inclusion Plan. The focus is also now more on the volume of transactions in new accounts opened as a part of the financial inclusion drive.

Challenges and Way Forward

The current policy objective of inclusive growth with financial stability cannot be achieved without ensuring universal financial inclusion. Our experience suggests that the banks alone will not be able to achieve this unless an entire support system partners them in this mission. Only the support of policymakers, regulators, governments, IT solution providers, media and the public at large can bring about a decisive metamorphosis in our journey towards universal financial inclusion. Financial Inclusion of the unbanked masses is expected to unleash the hugely untapped potential of the sections of the society that constitute the bottom of the pyramid. However, in pursuing the FI mission, the normal banking model has been found wanting in terms of cost, scalability, convenience, reliability, flexibility and continuity. To ensure that the banks give adequate attention to financial inclusion, they must view this as a viable business proposition rather than as a corporate social responsibility or a regulatory obligation. For the business to remain viable it would be important to focus on increasing usage of existing banking infrastructure which would happen only if the banks can offer an entire bouquet of products and services to the holders of the large number of basic bank accounts opened during the last three years as also to the new customers that the banks acquire.

Our past experience and FIP review meetings with the banks have highlighted that if the dream of universal and a meaningful financial inclusion has to be turned into reality, then going forward, we would need to focus on the following issues:

(a) Increasing Reach - (1) Ensuring coverage of all unbanked villages in next 3 years (2) Emphasis on increasing rural branches (3) Opening of bank accounts for all eligible individuals

(b) Increasing transactions - (1) Leveraging on DBT (2) Delivery of credit products through BCs (3) Hassle free Emergency credit (In built OD)

(c) HR Structure - (1) Banks to review HR policy in view of Financial Inclusion requirements (2) Examining appointing of a separate cadre of staff for cost optimization

(d) Fine-tuning the BC Model - (1) Stabilizing the BC delivery model (2) Encouraging innovations in remittances model (3) Review of Cash Management for BC operations

(e) Spreading Financial Literacy - (1) Implementing National Strategy for Financial Education (2) Creating Dedicated Website- Inclusion in School Curriculum (3) Organizing Financial Literacy Camps

Conclusion

In short financial inclusion focuses on financial empowerment of disadvantage group or the vulnerable groups, such as financially weaker sections and low income groups, financially illiterate people and tries to elimination of poverty, improve the standard of living and provide financial education and services or facilities to those people who are financially illiterate, low educate and economically poor. For the purpose to this various financial and non-financial institution has taken an initiative and follow various activities in the rural India like financial literacy, financial education, financial support to low income group through banking, No frill account, etc. to provide financial services to rural citizen of India to develop their financial strength and empower them to survive with good financial status in the society.

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Decoding Consumer Buying Behaviour For Luxury Brands : The Modern India's Obsession

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Introduction

Is India finally reawakening to luxury? Historically, it's a country familiar with all things luxe. After all, in 1925, India's Sir Bhupinder Singh, the Maharaja of Patiala, granted Cartier its single largest commission: the remodeling of his crown jewels, a collection that included an exquisite 234.69-carat De Beers diamond. Vuitton's gilded links with India go back well over a century, when the Maharajas of Jammu and Kashmir, Bikaner and Baroda, ordered customized trunks from the company.

India was always a luxury appreciating country from the time of Maharajas to the middle affluent consumer today. From maharajas who customized Rolls-Royce coaches for hunting trips to Nizams who used fist-sized diamonds as paperweights, India's affair with luxury is not new. However, these days it's more about prospective yacht buyers enquiring about mileage and farmers gifting helicopters as dowry in their daughters' marriages.

The Luxury Growth Story Of India

The Literature Review

The scope of luxury has gone beyond our imagination with our generation, which we call MAC (middle affluent consumer), who is aspiring, more knowledgeable and has learned the magic of credit cards and EMI's that enhances its purchasing power indirectly.

India today is a case study: it's projected that the Indian luxury market will reach USD 14.72 billion in 2015 with unprecedented growth rates in categories from fashion to hotels to automobiles and fine dining. Yet, Indian luxury brands are no longer a myth. The luxury market has grown at 23 per cent since 2006. The luxury products market (apparel, watches, jewellery, spirits, electronics) have grown at 30 per cent, reaching a market size of $2 billion. The luxury assets market-cars, homes and yachts have grown at 25 per cent, and have a market size of $2.8 billion. In the last one year, 50 luxury outlets (product stores and car showrooms), have been added to the 200 that existed, a 25 per cent growth in footprint. The market, at 1 per cent of the global luxury market, is still small; the luxury products market in China is $12-13 billion and Europe is 40 per cent of the global market.

According to Bain and Co, which, among its varied services, advises the global luxury goods industry, global luxury revenues grew 10 percent in 2012. In the most recent update to its Luxury Goods Worldwide Market Study, Bain announced that luxury goods market revenues worldwide would grow a whopping 50 percent faster than the global gross domestic product in coming years. It is expected to rise four to five percent in 2013 and five to six percent through 2015.

Who Is The Luxury Consumer?

Key growth drivers are the 150,000-plus HNIs (high net worth individuals) with a net worth of $600 billion-3.1 million households earning more than Rs.10 lakh in the top 10 cities (Mumbai, Delhi/NCR, Bangalore, Kolkata, Pune, Chandigarh, Hyderabad, Ludhiana, Chennai and Ahmadabad), and a Gini coefficient of 39.9 per cent.

Published by the Confederation of Indian Industry and marketing firm IMRB International, the report, titled 'The Changing Face of Luxury in India', focuses on identifying and understanding India's closet consumers. These are new generation entrepreneurs, senior corporate executives, farmers who have sold their land to developers and the BPO generation that lives with parents and has money to splurge. It also gives an overview of the luxury goods market, which has witnessed a growth of 15 per cent over the past three years and is estimated to have reached $7.58 billion (around Rs 48,000 crore today) in 2012.

The number of Ultra High Net worth Households, with a minimum net worth of INR 25 crore is expected to triple to 2.86 lakhs in next five years with a five-fold increase in their net worth to INR 235 trillion. And the HNIs will be double in number by 2015 to over 4 lakhs with a collective wealth of USD 2645 billion. These projections along with the increasing price parity in the luxury products with other international destinations like Singapore or Hong Kong, and customized products offerings would indicate that the luxury market in India would evolve quickly, highlights the paper.

At present, India's luxury market is the 12th largest in the world, according to a study, and will emerge as the 5th largest by 2025. The market for high-end spending by high networth individuals is estimated to be $500 million (Rs 2000 crore) and beginning to grow, Amit Mitra of Ficci said, while speaking on 'mapping a luxury world'.

The Luxury Sectors

While various estimates exists on the size and growth potential of the Indian luxury market; most estimates align on anticipated growth rates of 20% given the tremendous potential waiting to be harnessed such products: Apparel and Accessories, Pens, Home Décor, Watches, Wines & Spirits & Jewelry, services: Spas, Concierge service, Travel & Tourism, Fine Dining & Hotels and assets: Yachts, Fine Art, Automobiles & Real Estate.

Luxury products are projected to grow to US $5.38 Bn in 2015 versus a current US $2.85 Bn. Jewelry is believed to be the largest contributor (31%) for this sub-sector driven the investment mentality of Indians in jewelry which leads to low consumer price elasticity.

Reaching Out To The Consumer-luxury Is Not Just A Rich Man's Dream

According a luxury report by CII and IMRB International, luxury is no longer restricted to the rich and famous. In India's slow-moving luxury market, brands are trying to tap into the deep vaults of closet consumers, a variety of people with no exposure to global brands but who technically can't call themselves middle class by income any longer.

Darshan Mehta, CEO of Reliance Brands that brought in brands like Diesel, Zegna and Kenneth Cole here, feels it would be foolish to ignore this new crop. "There will always be that one percent who will buy luxury without prodding. However, for 10 of those, there are hundreds of others on the fringes with money to spend. We need to rope them in. That's the sweet spot of the Indian luxury market," he said during an interaction at the ET-CII Luxury Summit in New Delhi.

Mehta is perhaps referring to people like a 24-year-old man from Haryana who walked into the Ferrari showroom in Janpath in the Capital with cash in a sack and a thick Haryanvi accent on his lips. "He wanted a car immediately for his dad's birthday. But, when we told him that he needs to wait for six months after placing an order, since that's how long a Ferrari takes to be built, he lost interest," a Ferrari executive told TOI on the condition of anonymity.

Luxury auto maker Audi, which is referred to as the "churi-waali gaadi" (bangle-type logo) in rural India, is also aware of the dormant opportunity. "Smaller markets contribute close to 20% of our overall sales in India," says Audi India head Joe King. "We have opened dealerships in markets like Karnal, Vadodara and Bhubaneshwar, where we are seeing a growing appetite for luxury. The emergence of a more ambitious middle class with increased purchasing power that understands, values and aspires to own a luxury brand, is significantly contributing to the transformation of the luxury landscape in India."

For India's closet consumers, luxury is a reward for hard work and that is what gives it greater value than just the amount of money spent on it. "These are people with middle-class values, such as a rich farmer in Gurgaon or a doctor in Hyderabad; they may well have the capacity to spend on luxury in terms of income levels but due to an inherent conflict between their values and those that luxury brands are seen as espousing, their consumption of luxury is restricted or is at a much lower level than expected," says Sushmita Balasubramaniam, VP, retail and shopper at IMRB International.

The Indian luxury industry that was pegged at Rs 48,000 crore last year by IMRB seems to be in a 'wait and watch' mode at present. "Market analysts see a sense of uncertainty prevailing among all its stake holders - consumers, luxury brands and policy makers. The industry which until 2010 was poised to take off in a big way has paused in its tracks to relook at financials, strategies and plan the way forward," adds Balasubramaniam. "However, it is slated to post a revival and grow at nearly 17% next year."

The luxury products have become popular among the elite class, living in the state.

"Consumers from the Madhya Pradesh state are very discerning and look for both, value and prestige, associated with a particular brand," said Madhya Pradesh state-unit head of CII, Ranjan Mimani. Though being a later entrant into the field, luxury shopping cannot lag behind for too long. Emerging retail hotspots like Indore and Bhopal are already seen a good number of mid-level luxury brand outlets opening up. Over the course of time, it will pave the way for top-tier luxury brands too, said Mimani.

Even though the economy is not doing well, it has got negligible impact on the luxury market in the state. Director of an Indore-based luxury watch showroom, Atul Kothari, said, "We have witnessed a growth by 30% over past one year. Now, the good thing being that more and more international luxury brands have been made available locally. Also, one can get delivered the luxury products of one's choice within 15 days of placing the order, in case of those items, that are yet to be made available locally."

Requesting anonymity, a lady from an elite class in Indore said, "We do see rise in demand for luxury products. Still, high-end luxury products were not yet available in the city and hence we have to often travel to either metro cities within the country itself or even abroad to get them."

A local artist, Arpana Bidasaria, said, "Now people here have got used to the luxury products as it has become a status symbol for them."

Consumer Psychology Towards Luxury Goods

1. There are many aspects to the psychology of luxury. There is an interesting distinction in luxury, which has to do with what you can call "external and internal signaling". External signaling is what we all know-it is what we communicate to other people through what we wear. We all know, for example, how to rank order cars in terms of luxury-maybe Ferrari, Porsche, Mercedes, Audi, BMW, Toyota and so on. And when people drive particular cars, they signal to others what their taste is, who they are and what they can afford. This is similar to the tail of the peacock, which communicates what the peacock is capable of. That is an important, but only one version of signaling. But another version perhaps is internal signaling. Perhaps when we wear something, even if nobody else knows, we say something to ourselves that makes us feel

differently about who we are. So maybe brand of coffee or wear a particular watch or bracelet that nobody knows anything about, it makes us feel that we are different. And maybe we should think about signaling as fulfilling both these functions-what we tell the world about who we are, and what we tell ourselves about who we are.

2. A study by Belgium-based Ghent University threw up some interesting results. Researchers found that merely looking and touching luxurious products provides instant gratification to many. And when you actually purchase an expensive item, your brand gets an incredible sense of "reward", not too different from what happens when you achieve an important life goal. This feeling is exclusive to expensive shopping. Research has shown that because we subconsciously believe that pricey items are of better quality than cheaper ones-which may not even be true-we derive more pleasure from them. Case in point: during a study, when tasters were told a particular wine cost $90 a bottle, they enjoyed it. But when they were given the same wine and told it cost $10 a bottle, they claimed it wasn't as good.

3. Then there's the issue of self-esteem, our deep rooted need to feel good about ourselves. It is hardly a secret that most marketrs focus their advertising messages on consumer's egos. This is why ads encourage you to compete with your neighbor over air conditioners and televisions, compare your children's grades with those of his children, and decide whose wife has better shirt-cleaning skills. But when it comes to luxury, this matter of "self-esteem purchasing" becomes even more significant.

4. A series of studies have found that people are more likely to shop for high-status items when they're feeling under-confident. Researchers have proved that spending on yourself, especially on expensive and attractive items really does make you feel batter.

5. Consumers want to increasingly want to buy things that will give them hedonic value in addition to simply doing what they're designed to do. Today the focus has shifted from quality to the emotional impact of the product. The new focus on emotional experience is consistent with psychological research that finds that people prefer additional experiences to additional possessions as their income rise. It does not matter whether they really need it or not.

A limited yet indicative model has been given to understand the various facets affecting buying of a luxury brand. Many internal & external factors play their role in influencing a consumer towards buying a premium commodity.

Brand: the first and foremost contributing factor is the brand itself. Every luxury brand has created a niche positioning for itself, which attracts its customer to it. Whether its Gucci, Armani or Christian Dior, every name stands for some brand image, brand positioning which makes brand loyals.

Self-Image- this derives from the luxury consumer own understanding of his own image when he uses a luxury brand. It indicates how a consumer perceives himself and what he feels about his own self, which gives him power by consuming the luxury brand.

Personality- each consumer purchases that luxury brand which gels with own persona. His own concept of his personality should match with the brand personality or the values for which the brand stands for. That is exactly the same reason some consumers will buy BMW but some are hardcore Mercedes loyals. As both these brands portray a different set of self-concept and positioning which the consumer tries to match with his own.

Group- it can be termed as the most important factor because majority of the luxury purchases are also to flaunt them to the external world. The need to belong to certain groups and prove their own standing in that group is very pressing desire. It may be termed as peer pressure of the rich.

The love for luxury of Indian consumers does not end with only apparels or accessories. The gamut of goods & services which are now part of the luxury market range from luxury super premium cars, expensive & exotic restaurants, luxury watches, concierge services who can fulfill most extravagant dreams, high-end residences by globally renowned interior designers, haute books edition, masterpieces of exclusivity of art & paintings, ultra luxurious holiday destinations, wines & spirits, yachts and private jets, most exotic beauty clinics , rejuvenating centre and spas, the list is endless. The Indian affluent consumer has woken up to this luxplosion (luxury-explosion).

Conclusion

Not much has been written about how consumers view luxury in India. Almost all other asian countries have blindly followed the West as they became richer. But that is not how luxury should be embraced. The luxury marketers across the globe want to have deeper insights on how Indian affluent consumer uses and disposes luxury goods & services. Major international luxury brands are undertaking massive researches to decode the mind of Indian consumer better. Many national and international seminars, conferences, talks, are being conducted by government & autonomous bodies across India so that better approach and marketing strategy can be crafted out only for the Indian consumers.

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