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Abstract of Ph. D. Thesis

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Role of Self Help Groups In Rural Development With Special Reference to Khed, Ambegaon and Junnar Talukas of Pune District.
Babanrao G. Panmand, Hansraj D. Thorat

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Hansraj D. Thorat

BUSINESS GROWTH STRATEGIES FOR SME ENGINEERING INDUSTRY: LEARNINGS AND PERSPECTIVES FROM LARGE CORPORATE

Manoj Gadre ¹
Ravindra Utgikar ²

ABSTRACT

To keep up and sustain projected GDP growth of India, engineering industry has to play a major role. It is providing much needed infrastructure and energy required for the economic growth of the country. Engineering industry not only fulfills most of the domestic needs but also makes a significant contribution in export of goods and services from India. India has a large and expanding engineering industry that is ably supported by Small and Medium Enterprise (SME) engineering industry. Engineering industry as a whole including SME engineering sector has grown not only in terms of investments and output but also in terms of structure, composition of products, technological sophistication and self reliance.

After the liberalization of Indian economy since the early 1990s, competitive canvass of Indian market place has undergone a sea change. Fierce competition from multinational companies in all sectors including engineering industry is a hard reality. SME engineering industry is thus facing a very stiff challenge for survival and growth of its business.

This paper discusses challenges faced by SME engineering sector in current scenario and also provides insight in to opportunities available for them by way of deploying learnings from large successful corporate organizations.

The researchers have more than 20 years of hand on experience in engineering industry at senior management level. They have identified the problems SME engineering industry is facing. And based on their personal experiences, researchers have also suggested various solutions to address these issues. This study is based on secondary data, personal interviews, journals and research reports and recounting rich professional experiences.

KEY WORDS :- Cutting Edge Processes, Gap Analysis, Key Account Management, Strategic Alliances, Strategic Benchmarking

INTRODUCTION:

In 1991 the then finance minister Dr. Manmohan Sing initiated the process of Liberalization, Privatization and Globalization (LPG). The new liberalized economy of India is full of marketing challenges. The well-known MNCs of the world are already here to generate a powerful competition. Companies have also started recognizing that their major job is marketing and their major concern is creating customers and developing markets. The new policies and measures have resulted in three significant developments:

i) The competitive profile of the nations markets has been changed in a significant manner; the list of sectors of

the economy where consumer calls the tune is getting wider day-by-day.

- ii) A high degree of encouragement has become available to consumer goods.
- iii) World's perception about Indian markets too has drastically changed.

The Multinational companies (MNC's) have realized that India is an attractive market. Ever since they have been actively taking interest in Indian market by either exporting their products in India or making them locally.

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India has a large and expanding engineering industry. It has grown not only in terms of investments and output but also in terms of structure, composition of products, technological sophistication and self reliance. The SME engineering industry sector has grown steadily since independence. The sector occupies special role in generating employment in a capital oriented economy and accordingly has been given due attention in the form of concessions and product reservations. The growth of the sector can be gauged from the increase in number of units, production, employment and exports over the period of time in this sector. The production of SME engineering industry sector continued to grow generally at the rate higher than that of the industrial sector.

In the wake of liberalization and the opening up of the economy, the SME engineering industry sector is confronted with competition in the domestic segment from medium and large scale sectors and from the easy imports of goods after the removal of quantities restrictions. This has posed a great unprecedented challenge to the SME engineering industry in India in terms of survival and growth.

This paper discusses challenges faced by SME engineering sector in current scenario and opportunities they have by way of learning's from best practices observed in hugely successful corporate organizations around the world.

OBJECTIVE:

To Identify specific challenges faced by the Small and Medium Enterprises in India with specific focus on the engineering industry in the new age economy and deliberate on how they can harness business opportunities by leveraging on the business strategies deployed by large corporate business houses.

HYPOTHESIS:

1. SME engineering industry has myopic business outlook and focus heavily on day to day operations, as against growth strategies over medium to long term.
2. SME engineering industries are more venerable to global competition.

3. Learnings from large corporate sector are not relevant and applicable to SME engineering Industry.

IMPORTANCE AND SIGNIFICANCE OF STUDY:

In today's dynamic market, unfavorable demand supply situation and a consequence fierce competition, is a hard reality. Marketers are forced to think hard as to how they can keep companies on the high growth path. It is said that knowledge is currency of new age economy. Buyers, just as sellers, are more knowledgeable and demanding than they were in yesteryears. The key really lies in harness this knowledge with customer requirements with a great deal of application so as to create something that has value in the eyes of customers.

SME engineering industry needs to do things differently than in the past so as to survive and grow in the midst of stiff global competition. On one hand there are latest technology products coming from the developed industry on the other hand there are cheaper products dumped by Chinese and far-eastern companies. With the new policy regime coming in the post-liberalization era and mounting pressures from likes of World Trade Organizations, protection of the domestic industry is fast becoming a thing of past.

Indian economy has been steadily growing pre and post liberalization phase on a sturdy SME sector, engineering industry is not an exception. However initially sub-prime economic crisis, fears of double-dip recession, unsteady Euro zone, natural calamities like tsunami and man-made disasters such as Arab spring world economy simply put us under severe stress. No wonder adverse effects are pretty much felt in Indian economy and also in the SME engineering industry.

So as to survive and grow SME engineering sector has no option but to revisit its products, services, customers and market segments. Very often SME sector does not know where and how to start. That's where insights from the hugely successful large corporate come like a light house. Understanding and appreciating all the limitations that SME engineering sector has, if they can still adopt in some form or the other, best practice adopted by large corporate

it would give them definite ray of hope. Clearly there is no silver bullet and sure-fire strategy, but it would have to be carved out rather than blanketly adopting some of the practices that hugely successful large corporate have been following over the years.

Business growth typically is a result of getting higher share of existing customer's valet and also by acquisition of new customers. It is well known that it is cheaper way to service your existing customers than to secure new customers.

However unlike in the past, business from existing customers simply can't be taken for granted. Customers continually demand more value for the price they are willing to pay. Customers are becoming increasingly knowledgeable and savvy about products and services offered in the market, thanks to prowess of Internet! Also due to integrated nature of global economy, formidable challenge comes from cheaper product substitutes available from markets like China.

RATIONALE :

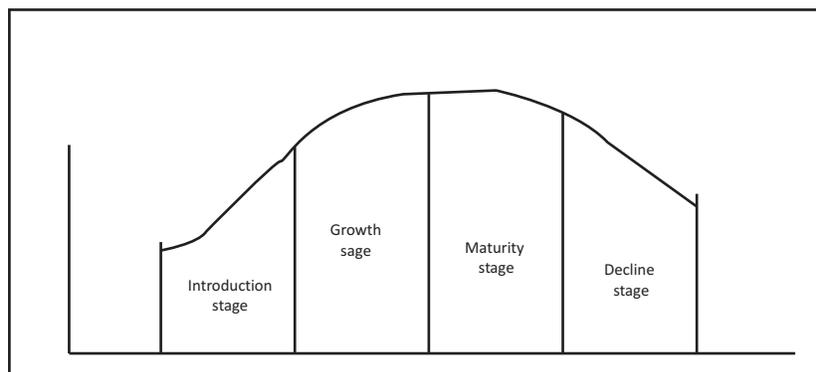
Table 1: Research has brought to fore differences in Marketing for SME engineering industry and large successful corporate:

Sr. No.	Parameters	Small Scale Industries	Large Scale Industrie
1	Time	Entrepreneur's time availability is very little	Full time appointed staff
2	Money	Scarcity	Separate budget allocated
3	Manpower	Limited	Afford to set up separate department
4	Marketing skills	Lack of skills due to limitations	Manpower with specialized skills available
5	Marketing tools	Costly	Separate budget available
6	Marketing information system	Not available	Feedback can be judged
7	Production backup	Interrupted and in batch quantities	Uninterrupted and in large quantities
8	Service backup	Non affordable	Separate department can be set up
9	Financial stability of organization	Gets affected even due to slightest change in demand	Excellent doesn't get affected due to slightest change in demand
10	Goodwill	Considerable time is spent in creating goodwill	Make use of established name and goodwill of the organization
11	Environmental changes	Gets considerably affected even due to smallest change in business environment and / or Government regulations	Small change in business environment does not affect the working much

LIFE CYCLE STAGES FOR SMALLSCALE ENGINEERING INDUSTRY:

As like products, the life cycle stages are also applicable for Small Scale engineering Units. Following Fig. 01 and Table

02 exhibits requirements of the SME engineering units in various stages in their life cycle for the applicable criterion.

Fig. 01: Life Cycle Stages as applicable for SME engineering units**Table 2: Requirements of SME engineering units in various stages of Life Cycle:**

Sr. No.	Criterion / Requirements	Introduction Stage	Growth Stage	Maturity Stage	Decline Stage
1	Entrepreneurial skills	Under development	Under testing	Matured thinking level	Under testing
2	Experience in running business	Nil	Moderate	Sufficient	Vast
3	Finances	Scarc	Need to be generated	Easily available	High requirements
4	Working capital cycle	Irregular / interrupted	Heavily loaded	Stable	Heavily loaded
5	Investment	Low	Increasing	Stable	Increasing
6	Overheads	Low	Increasing	Stable	Increasing
7	Turnover levels	Low	Increasing	Stable	Increasing
8	Profit ratios	Low	Increasing	Stable	Increasing
9	Labour requirements	Low	Increasing	Stable	Increasing
10	Skilled manpower	Non affordable	Needs to be employed	Affordable	Non affordable
11	Marketing	Efforts for introduction of the organization	Efforts for business expansion	Efforts for increased volume of sales	Efforts for new product development
12	Nature of activity / work	Come what may	Area of working defined	Technology up-gradation	Change in production line
13	Decision regarding the line of products	Not defined, based on opportunity	Gets defined by trial and error	Well set product line	Entry in new product line

BENEFITS:

From the organizations point of view there are numerous benefits of formulating and implementing business growth strategies. They help to tap best brains in SME industry and profit from their experiences. This can be seen by way of refining processes, product features, make or buy strategies, demand management; SCM plans, financing possibilities etc. It is also not uncommon to find that maiden break by way of prototype installation opportunity comes from customer while product is still under final stages of development.

RESEARCH METHODOLOGY:

This paper is based on extensive research using both secondary data as well as to some extent primary data. Primary data has been secured through interactions with entrepreneurs in the SME engineering industry in and around Pune. These are based on the real life practical experiences of professionals in SME engineering industry. Findings in this paper are a result of combination of above. Exhaustive secondary data has been tapped from various publications specific to SME engineering industry and also scholarly research papers published on the SME sector. Also researchers have background of having worked at senior positions in large corporate in India as well international organizations. First hand experiences about working of large corporate organizations have been leveraged in the research work.

ANALYSIS: Prior to getting into business strategies, it's important to take an in-depth look at the dynamics of SME engineering Industries.

While taking business decisions, the small scale entrepreneur in the day to day working has to undergo lot of pressures from internal and external business environment. Few of them are listed as under:-

Pressures on small scale entrepreneur in the business environment:

Internal environment - i.e. production side of business.

- i) Labor problems
- ii) Finance arrangements

- iii) Government duties and other formalities
- iv) Production problems
- v) Materials problems
- vi) Ensuring quality control procedures

External environment - i.e. marketing side of business

- i) Completion of post dispatch formalities
- ii) Providing prompt after sales service
- iii) Maintaining the business relations
- iv) Searching new business opportunities
- v) Keeping an eye on the changing trends in business environment
- vi) Creating goodwill

The entrepreneur generally finds himself engaged in getting relieved from the internal pressures which affects the attention on marketing side of business.

However, the process of globalization has opened up ample opportunities for the sector to tap and grow. In the post – liberalization era, there have been suitable policy changes depending upon the changing economic scenario. Policy changes were also necessitated for provision of product specific incentives and concessions to small enterprises for product standardization, technology up gradation, modernization etc.

The SME engineering industry is already facing a lot of limitations as regards the availability of:-

- Finance
- Manpower
- Managerial skills.

As the ownership pattern is generally tilted towards proprietorship in the day to day working of a SME engineering industry all the functional areas have been looked upon by very few people, mainly by entrepreneurs themselves, thus considerable time is spent on the activities which are not concerned with the marketing.

The SME engineering industry generally experienced a lack of resources for sales promotion and advertising. It is due to the non availability of adequate finance departmentation is not feasible.

Problems of Marketing for SME engineering industry:

In the present competitive business atmosphere the saleability of product can be improved with marketing ability. A competent product has to be carried to customers basically through competitive marketing. Here the two factors play important role in achieving the success –

- Product Quality
- Ability of Marketing.

However, in the working of SME engineering industry following problems of marketing can be listed out:

PROBLEMS OF MARKETING: -

1. **Poor designing** -Many products suffer from poor designs which are both inefficient and inartistic. Small industry must ultimately cater to the tastes of a consuming public and artistic designing is an important factor in persuading a customer to buy.
 2. **Poor Quality** - The inefficient working often results in the end product being of poor quality. This inefficiency may be a result of improper raw material, improper method of manufacturing etc. Large enterprises on the other hand can obtain better quality raw materials and can ensure better quality for their products by using sophisticated methods of manufacturing.
 3. **No quality control** – The quality of small industries products tends to vary due to lack of quality control methods. Hence, where such products are to be used in industrial equipment, customers are unwilling to buy them.
 4. **Lack of precision** – Due to inadequate equipment and lack of skilled personnel the precision of the products turned out in the small sector is often below standard. This is a common complaint by the large scale manufacturers who sub-contract their components to the small unit.
 5. **Poor bargaining ability** – This is an inherent defect of the small entrepreneur that his bargaining power with the wholesaler and retailer is weak. Hence, they have to offer much bigger margins to the distribution channels which leaves little profits for themselves
- which in turn affects- quality of product and regeneration of product, new product development.
6. **After sales service** – Many large manufacturers provide “After Sales Service” facility which the small unit is unable to provide. This becomes a strong selling point and customers naturally prefer a product which is backed by service network.
 7. **Lack of funds** – This factor acquires major share in the overall problems faced by any SSI. Due to the cut-throat competition the costs have to be reduced and the payment recovery is a big headache. Due to lack of funds the new product development becomes a difficult task.
 8. **Lack of knowledge** – Small entrepreneurs can't afford to have marketing experts on their staff to plan the marketing of their products as the large firms can afford. This again affects the sale of the products as they are introduced into the market without adequate preparation.
 9. **Distribution contracts** - Large scale units have established distribution network which are loyal to them and with whom close contacts have been developed. It is difficult for an outsider, particularly a small unit to break into this vicious circle. There is a great deal of competition amongst the small units themselves which further weakens their market position.
 10. **Scale of production** – The scale of production of the small unit naturally makes the cost of production higher which makes it difficult to undertake costly sales promotion campaign. Consumer prefers for frequently advertised products work against the small industry since only the large scale manufacturers can take up an advertising campaign that makes the public constantly aware of his product.
 11. **Availability and pricing of raw materials** – Availability of required materials (i.e. quality of materials) and their rising prices present difficulties in adhering to production costs.
 12. **Limitations of small entrepreneur himself** – The small

entrepreneur have to look after all functional areas of management. Viz- production, finance, materials, government formalities, labour problems and marketing. As such how much time he can spend for marketing activity? Is a question for investigations.

13. **Lack of customer orientation** – “Produce what customer wants at a price he is willing to pay” is a doctrine for success in today's competitive world. The entrepreneurs should not sell what they produce but should produce what their customers want. Many entrepreneurs neglect this fact.
14. **Lack of unity amongst the SSI entrepreneurs** – The small units, selling in lots and with limited resources can't independently carry out any ambitious marketing exercise. With the collective efforts the SSI's

can compete with large scale units. However at present the SSI's are competing amongst themselves instead of getting united.

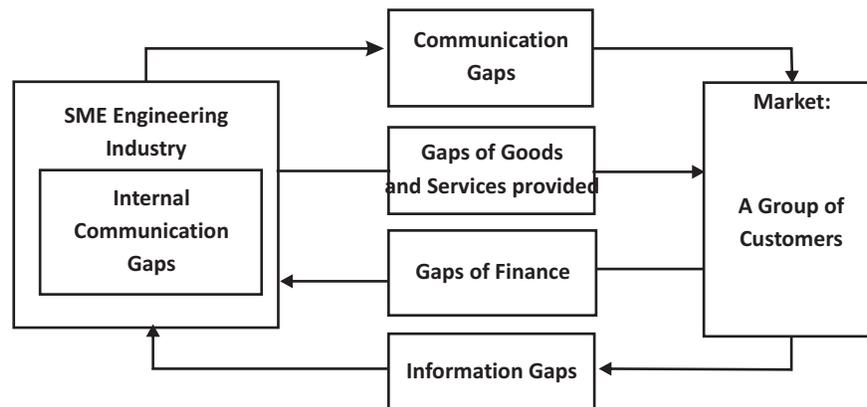
THE GAPS ANALYSIS:

Marketing as business function involves the movement of products and services from the producer to the user, but this is not the only requisite for guarantee of business success. The movement of products and services is always associated with the flow of information from the producer to the user and vice-a-versa.

However, this flow of information gets hindered by many factors, known as Gaps in the marketing system.

Fig. 02 exhibits marketing system as applicable to small scale engineering units.

Fig. 2: Marketing System Applicable for SME engineering Units.



These gaps can be broadly classified as internal gaps i.e. within the internal environment of the organization and external gaps i.e. in the external environment of the organization.

- a) **Internal communication gaps:** These include communication gaps within various departments of the company about customer's expectations as regards – quality, delivery time schedule, technical specifications etc.
- b) **External environmental gaps:**
 - i. **Communication gaps** – Company's communication with customers regarding availability of manufacturing facilities, products and services

offered, company's service standard levels etc.

- ii. **Goods and services gaps:** Quality and timely delivery of the goods and services provided.
- iii. **Finance gaps:** Delayed payment from customers and less profit realized.
- iv. **Information gaps:** New products availability in the market, technological changes, expectations of customers about the service standards, new opportunities in the business.
- v. **Clear understanding of such gaps and taking efforts for minimizing the same is essential for achieving the success in business.**

It is seen from the preceding paragraphs that:

- i. In day to day working the small scale engineering units face problems of marketing due to quality, scale of production, availability and pricing of raw materials, lack of customer orientation and limitations of the small entrepreneur himself.
- ii. There exists a difference in marketing for small and large engineering industries. These are mainly due to the limitations of money, time and requirements of manpower skills.
- iii. As like products the small scale engineering units also undergo life cycle stages, as such their marketing requirements differ in various stages. Due attention must be paid to such requirements while taking policy decisions and strategy formation.
- iv. In day to day working, the small scale entrepreneur has to undergo pressures from internal as well as external business environment. The entrepreneur generally finds himself engaged in getting relieved from the internal pressures which affects the attention on marketing side of business
- v. Existence of gaps in the marketing system creates hindrance for the business.

Based on the primary and secondary data analysis with regard to challenges faced by SME engineering

industries we took a closer look at the actual opportunities that these organizations can capitalize on by sharing strategies deployed in the large corporate. This brought to light some very interesting data points and how it helps formulating business growth strategy for SME engineering sector.

Having seen challenges that SME engineering industry faces. Let's discuss what are the opportunities available for survival and growth, by studying what and how hugely successful large corporate do to stay ahead of the pack.

STRATEGIC BENCHMARKING:

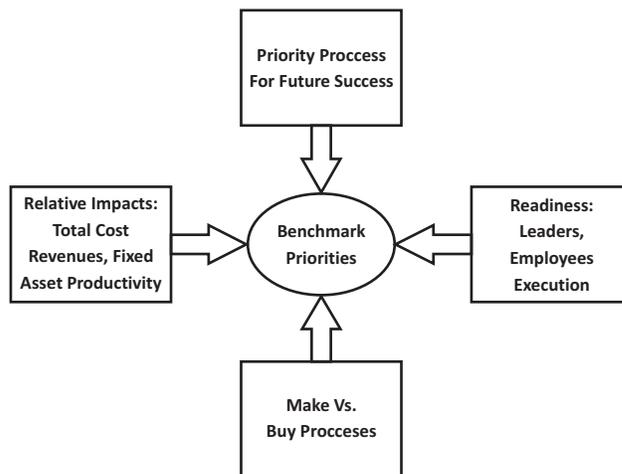
Benchmarking is the process of identifying "best practice" in relation to both products and the processes by which the products are created and delivered. So as to identify these

best practices organization must look within a particular industry and importantly also in other industries. Often many established industries for instance automobile or aviation have a lot to offer to other industries. Lessons learnt from other industries can be ploughed back in industry so as to gain a competitive advantage.

Benchmarking helps companies understand and evaluate the current position of a business or organization in the context to "best practice" and to identify areas and means of performance improvement.

SME engineering industries must adapt to evolving strategic benchmarking and importantly a muscle to execute these strategies. Benchmarking is one such strategy which constantly helps organization re-jig and redefine its products, service and processes so as to keep up with the best. Danger that SME engineering industry must watch out for is sub-optimal execution that marshall final outcome. Simply put benchmarking strategy coupled with steely execution ensures success of the exercise and gives SME sector a new lease of life.

Fig. 3: Benchmark Priorities



NEW PRODUCT DEVELOPMENT:

To protect its customer base from competition offering cheaper products and services, successful large corporate adopt an innovative approach and build their business growth strategy by deploying New Product Development (NPD) tailored to exact customer needs. This is done by

deeply engaging within customer's organization to develop precise understanding of their problems. This customer specific know-how is a critical input to NPD and thus protecting its strategically important customers.

NPD is simply put efficient and effective process by which organizations make products designed for customer specific requirements and thus create glue with customer, so that it is much harder for competitors to match product features, services and overall delivery !

Organizations such as Google, Apple and 3M etc. invest substantial amount of their annual budgets in innovation and RandD, so as to roll out a cutting edge technology, new products and service that redefine the market paradigm.

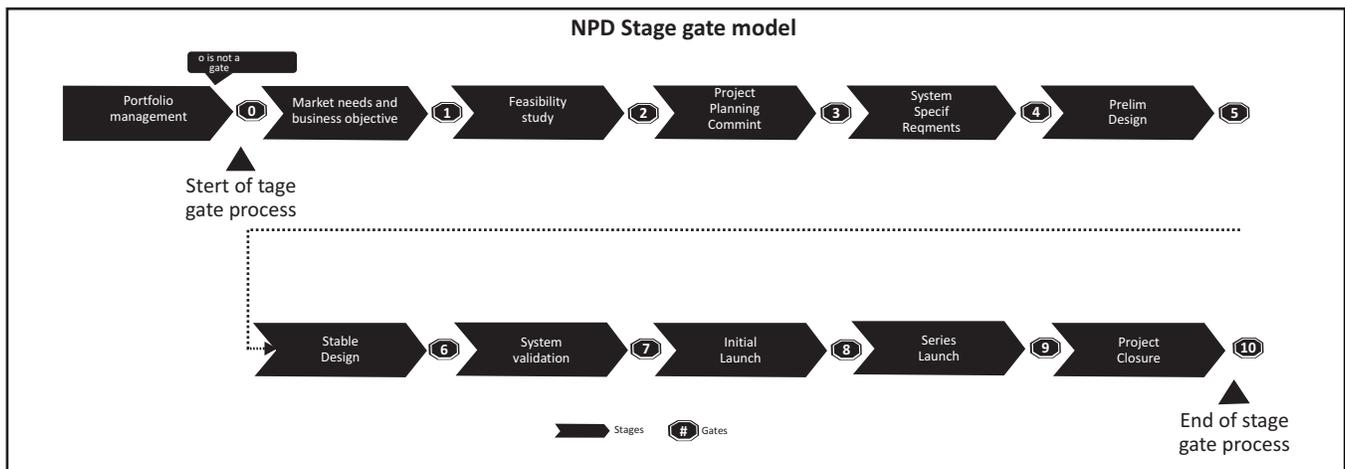
As for SME engineering sector limitations on the resources in terms of budgets and availability of best of the class talent for doing innovation and RandD is well appreciated and understood. However, it becomes a survival issue in the medium to long term and not just the rule of the game but the game itself gets redefined.

It is therefore highly recommended for the SME engineering sector that they opt for 'smart follower strategy' rather than a 'pioneer strategy'. Although it may mean foregoing 'early bird' advantage and seen as rolling out 'me too' products, it often saves them of expensive resources and time in case new product doesn't click in the market for some reason or the other. Having that said speed and quality of introducing products makes all the difference.

As for wind industry scenario Chinese companies such as Goldwind and Sinovel have been following a smart follower strategy effectively to win in local markets where pioneers like Vestas could not make offering innovative for wind turbine generator technology.

As demonstrated in Fig. 04 below there are various stages of NPD and in between these stages there are gates, at which major decisions are taken.

Fig. 4: Deep dive NPD Stage-Gate Model



KEY ACCOUNT MANAGEMENT:

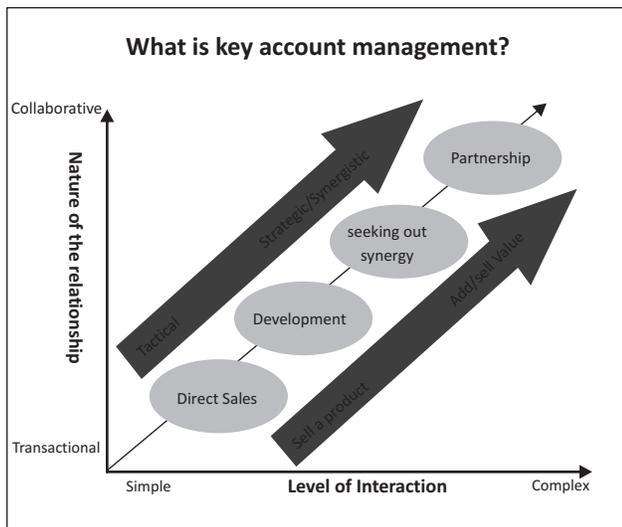
Key Account Management (KAM) is simply put management of most important customer relationships! Managing the customer relationships is very critical to any organization as it drives profits and customer satisfaction. Key accounts are those customers who produce or have potential to generate profit and/or those customers who

are of strategic importance for survival and growth of business.

KAM is certainly the way huge organizations operate which help them grow together in terms of geographies, market share, revenue, profitability etc. by leveraging on mutual strengths as a result of carefully chosen long term growth

path. It also helps keep competition at a bay while protecting its own customer base. Organizations need to think long and hard prior to settling for Key Accounts Management and then persist with it for results.

Fig. 5: Key Account Management



KAM approach is complex and requires substantial investment of senior management time and resources in setting up robust processes, reconfiguring organization as it needs to be customized. Also its important to recognize that results are long lasting; once established they come over a period of time.

For SME engineering industry it is a formidable challenge. However the spirits of KAM lead to certainty.

STRATEGIC ALLIANCES:

One of the thing hugely successful corporate do is to leverage on partnerships with stakeholders in the area of finance, technology, supply chain, research and innovation etc. This way they leverage strengths of partner organizations and their brand equity, thus further enhancing value creation for their customers. This helps them guard their customer base and also keep them ahead of their arch rivals. As a result they continue to expand in terms of revenues, profits, market penetration, geographies and also product portfolios.

As for SME engineering industry seeking strategic

partnerships in the areas where they are deficient is a sure way to survive and grow. This could be in the area of tying up new channel partners for accessing new markets, service providers to generate revenue stream from operations and maintenance business, technology collaboration for introducing new products or for that matter global sourcing arrangements to maximize benefits from their production set-up. New age economy calls for divergent and inclusive business growth approach unlike in the yesteryears when doing everything internally were a mantra for those days.

Fig. 6: Strategic Alliances



Several avenues to forge strategic alliances are available today to SME engineering industry that includes Business to Business (B2B) forums organized by CII and FICCI forums. Govt. of India has a special focus on the SME sector and numerous policy regulatory drives have been taken up to ensure that SME sector in India continues to be healthy and prospering. Commercial counsels of different foreign countries often have a trade and commerce wind to facilitate business and cooperation to and from their

CUTTING EDGE PROCESSES:

Hugely successful large corporate have institutionalized state of the art customer centric processes. They often do this by engaging management consulting firms such as PWC, EandY, and BCG etc. These global firms have multi country, multi industry experience and as a result best practices that made organizations successful are very well captured. These cutting edge processes include among others following:

- Risk identification and mitigation processes
- Learning and development processes
- Customer satisfaction / engagement processes
- Merger and Acquisition processes
- Sales and operations planning processes
- Quality assurance and reliance processes

It is not only important to induct cutting edge processes but standardizing them by way of documentation and rewarding employees on process adherence / compliance ensures success.

For SME engineering industry this may sound a burdensome task, it is important that organizations run on defined standardized processes than anything else. This helps entrepreneurs set aside more time to doing visioning and long range planning for their organization than being buried in everyday operations.

Indeed services of leading management consulting firms are simply unaffordable for SME engineering sector. However SMEs can always engage tier II and III management consulting firms to bring in 'out-side in' process perspective. Besides, harnessing leading engineering and business schools is another way to make headway in the process centric approach can be made.

HYPOTHESIS TESTING:

On the basis of primary and secondary research of SME engineering industry and large corporate Hypothesis #1 SME engineering industry has myopic business outlook and focus heavily on day to day operations as against growth strategies over medium to long term is true. Research reveals that entrepreneurs driving SME engineering industry are always in the 'fire-fighting' mode and drowned in day to day operations. This is also attributable to several factors that are not controllable. It's not as if they don't quite appreciate importance of formulating and implementing survival and growth strategies, however they simply either have luxury of working on it or lack directions where and how to start with something that they can actually harness.

HYPOTHESIS # 2 SME engineering industry is more

vulnerable to global competition is untrue. It is true that competition from global market place has made life difficult for everyone, with high end goods coming in from developed world and low end coming in from Chinese and far eastern players. SME engineering sector is no exception to this however research reveals that there is no special or added risk as compared to other sectors. In fact SME engineering industry still has its own unique propositions. More often than not they have a niche market that is not easy to crack, their cost competitiveness compared to imported good is often an advantage, flexibility and ease of doing business is a certain plus. Top ranked wind turbine manufacturers have a well laid out strategy of phasing-in new products and phasing-out existing products with a spares and service assurance to customers. This ensures that old and new products do not end up fighting each other in the market place.

HYPOTHESIS # 3 Learning's from large corporate sector are not relevant and applicable to SME engineering Industry is **not true**. It is general perception that cutting edge growth and business strategies are fodder for huge corporate and not for SME sector. However a closer and deeper look through this research work unearths that many of these strategies are very much relevant and applicable to SME engineering sector. Yes, the scale and scope may indeed undergo a major change as SME engineering industries weave their own strategies.

EXPECTED CONTRIBUTION:

Research has tabled dynamics of SME engineering industry particularly in the post liberalization era. Also various growth challenges and opportunities SME engineering industry face in wake ever increasing competition in the market place. Given the dynamic nature of market and economy achieving business growth is by no means an easy task. SME engineering industry and progressive cutting growing organizations have retorted to formulating business strategies tailored for their needs.

There is a close linkage between sustainable growth of any organization and growth of its key customers. So devising strategies that are customer centric in nature is key; this is exactly what huge successful corporate do and very effectively too!

There is a perception that a business strategy is not a cup of tea for SME engineering industry. Many entrepreneurs opt for a convenient path and ignore at their own peril importance of institutionalizing strategies.

There are no shortcuts and sure fire silver bullets for those business growth strategies that have made huge corporate successful will work same magic for SME engineering sector. It is important to add here one of the major reasons why strategies fail is poor focus on implementation.

All organizations, SME engineering industry included, must continue to innovate and differentiate from competition to give them fair chance of surviving and growing. Customizing business growth strategy is certainly one way large organizations around the world have successfully deployed, to ward off competitors and hold on to its key customers.

SME engineering industries need to think long and hard prior to settling for business growth strategies and then persist with it for results. Entrepreneur's patronage and attention is warranted so as to taste success in medium to

long term. For SME engineering industry with local business interests and niche customer focus, investments in formulating as a growth strategy in terms of systems, processes, people and other resources will be justified in terms of incremental business and profitability over a medium to long term.

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CHALLENGES IN ACHIEVING INCLUSIVE GROWTH IN HIGHER EDUCATION - A Management Education perspective

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Shrinivas R. Patil ²

ABSTRACT

Educational institutions are no longer remain to be social services today, they are not lesser than, any business organization in terms of profit and subsequently all fields of management such as marketing, finance and HRM are being experimented. Such Institutions also aim to achieve growth in variety, and volume. Inclusive growth, is also an aim of many institutions, which continuously strive to achieve it. Where inclusive growth in the context of such educational institutions is not only difficult but also challenging. Where inclusive growth is nothing but to achieve sustained growth by including all the class of people and yet optimizing profits or economical growth. It is like pro-poor development objective.

Education, in its broadest sense of development of youth, including sports, is the most critical input for empowering people with skills and knowledge and for giving them access to productive employment in the future. The 11th Plan should ensure that we move towards raising public spending in education to 6% of GDP, which is an NCMP commitment. It must fulfill the Constitutional obligation of providing free and compulsory elementary education of good quality to all children up to the age of 14. This means we must ensure both access and good quality and standards in respect of curriculum, pedagogy, and infrastructure irrespective of the parents' ability to pay.

INTRODUCTION :

Education and skill development will receive high priority in the Eleventh Plan, both to meet the needs of a growing economy and to promote social equality by empowering those currently excluded because of unequal access to education and skills to participate fully in the growth process. Public expenditure (Centre and States) on education is only around 3.6% of GDP. The National Common Minimum Programme (NCMP) had set a target of raising it to 6%.

The Eleventh Plan must also focus on the pressing need to expand capacity in our institutions of higher education and technical and professional education (engineering, medicine, law, etc.). The GER for higher education (percentage of the 18–23 age group enrolled in a higher education institution) currently is around 11% whereas it is 25% for many other developing countries.

China has increased its GER in higher education from 10% in 1998 to 21% in 2005. We must aim at increasing the GER to 15% by the end of the Plan and reach 21% by the end of the Twelfth Plan. This is necessary not only to meet the needs

of a growing economy, but also to meet the aspirations of younger people who see education as an essential requirement for advancement. Along with expansion, it is also necessary to aim at improvement in quality. While the best of our institutions of higher education compare well internationally, a large number suffer from serious quality problems. A general improvement in the quality of existing universities is necessary, including upgrading of facilities and improved methods of teaching. There is also need for a special effort to set up world class higher educational institutions. The expansion should aim at a much larger provision for science teaching.

EXTENDING HIGHER EDUCATION IN MANAGEMENT AND TECHNOLOGY

Since Higher education in Management such as MBA and MCA like courses has not been available to poor class of people as the high class institutions such as IIT's and IIM's are not in everybody's reach. So also University level education due to scarce institutions. Therefore it is a challenge for the Government to balance the need. The

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Government through its eleventh five year plan, has planned for the establishment of 30 new Central universities, one in each of the 16 States which do not have a Central university at present, eight IITs, seven IIMs and five Indian Institutes of Science Education and research and 14 other Central universities in different parts of the country. Since the establishment of world class institutions involves considerable expenditure on creating facilities, the scope for public-private participation in setting up these universities will be carefully explored. The location of these institutions should take advantage of the collocation of other scientific and research institutions in certain places.

TUTION FEE REGULATIONS

At present, fees vary across universities, but generally these have been kept very low, in many cases not even covering 5% of the operating cost. The Centre and State Governments must either be able to subsidize university education massively or try to mobilize a reasonable amount from those who can afford it by way of fees that cover a reasonable part of the running cost. Since most university students come from the top 10% of the population by income levels, they would be able to pay fees amounting to 20% of the operating cost of general university education. The fees for professional courses could be much higher. The fee levels should, therefore, be increased gradually in existing institutions but the new norms could be implemented in new institutions from the start. Simultaneously, efforts shall be made to develop wider merit-cum-means based loan and scholarship programmes through the banking system and other agencies. The National MeritScholarship Scheme needs to be expanded to cover at least the top 2 per cent of the student population in fields of education and skill training. We should also strive to increase the scope of scholarships to SC/ST children.

RESERVATION OF SEATS

Since education is the pathway to economic advancement, the strategy for expanding education must also pay attention to ensuring equitable access. Reservation of

seats in educational institutions for SCs and STs, and in many states also for OBCs has been in place for many years. The Centre is taking steps to introduce reservation for OBCs in central universities and other central institutions of higher learning such as IITs, IIMs etc. It has also been decided that the proposed reservation will be introduced in a manner which ensures that there is no reduction in the general category of seats. This involves substantial expansion of seats which was overdue. The details of the scheme will be finalized shortly and the government will ensure that resources are provided to these institutions to enable the necessary expansion in a manner which does not compromise on quality.

TECHNICAL/VOCATIONAL EDUCATION AND SKILL DEVELOPMENT

Data collected in the 60th round of NSS shows that only 3% of the rural youth (15-29 years) and 6 per cent of the urban youth have gone through any kind of vocational training. Most of them have acquired the skills they have from taking up or changing employment. This is much lower than in other developing countries. The current set up for skill formation and up gradation is woefully inadequate. For inclusive growth, it is vital to enhance the productivity of labour in the unorganized sector. We need to expand vocational training from the present capacity of a mere 2 to 3 million to at least 15 million new entrants to the labour force. While we have 5000 Industrial Training Institutes (ITIs) (under the Ministry of Labour) and 7000 Vocational Schools (under the Ministry of HRD), China has about 5,00,000 Secondary Vocational Schools. The 11th Plan must pay special attention to devising innovative ways of modernizing the ITIs and increasing their number substantially. More importantly, industries and industrial associations will be involved in running them so that the scope and content of the training provided in these institutions is relevant to the needs of the industry and the job market. The number of skills for which training is provided also needs to be expanded to include new skills. ITIs in India typically cater to around 40 skills compared with 4000 in China. 4.3.16 Since 2004 an effort has been

made to identify and implement reforms in administration of ITIs so as to facilitate better interaction with the industry. To begin with 100 ITIs have been taken up and it is proposed to expand the 61 programme to cover 500. However, much more needs to be done to meeting the demands of the knowledge economy. It is necessary to give true financial and administrative autonomy to ITIs that are formally registered societies. These ITIs should be run by independent, qualified professional heads who are accountable to boards consisting of stakeholders, such as user industries and public spirited citizens in the locality. Their performance should be measured by the placements/income improvements of the trainees who pass out. 4.3.17 Public Private Partnership models which involve industry representatives in management of ITIs and in design of courses are being tried in some states and need to be encouraged further. There are a number of other vocational training and entrepreneurship development institutes in the country in addition to the ITIs. These institutions also need to be strengthened and a process of accreditation evolved for them.

AGRO BASED PROGRAMMES IN MANAGEMENT:

The possibilities in agro-processing are increasing. There is however little or no training available in processing of agricultural or forest produce. There exist many government schemes

with known technologies that need to be taken to the youth through short courses. Starting agricultural schools with strong agro-processing, irrigation, soil conservation, and forestry/gardening components will thus be one of the goals of the 11th plan.

Often vocational training for women is confined to sectors like nursing management, Catering Management etc. in keeping with their traditional roles. If we are to move towards a gender just society, then this has to change. Girls should be encouraged to take up training in secondary and tertiary activities to enable them to compete as equals. To reach out to rural youth, skill development must be treated

at par with school education in allocation of government resources. An initiative at block level for vocational training (VET) should be taken. VET will be given priority at par with secondary education in allocating public sector financial and physical resources – land and other supportive services. Both public and private institutions should be encouraged to provide training and freedom to train those seeking certification. An appropriate certification system should be instituted by the Central and state governments for certifying the skills of trainees graduating from a variety of institutions and suitable academic credits given to them. The Central Government should provide the necessary guidelines and support for establishing appropriate mechanisms and state governments should institute certification bodies to issue certificates for a variety of skills.

SHORTAGE OF RESEARCH PERSONNEL:

There are serious shortages of qualified research personnel in educational institutions, in national laboratories and in industrial RandD units. Currently the number of scientists and engineers engaged in RandD in the country is 157 per million. Korea has fifty times more, whereas US and Japan have about thirty times more. At present we produce around 5000 PhDs annually in science and about 800 PhDs in engineering. The Prime Minister's Science Advisory Council has estimated that if India has to lay claim to being knowledge based economic power, the number of PhDs of quality acceptable by world standards should be five times more than the number that we are currently producing.

These considerations suggest that the 11th Plan must undertake a major effort to expand and improve the quality of our higher education system. In particular, we need to expand higher education in science and create an environment that attracts bright students to careers in Management and Technological research. In fact, India should aim to be a global innovation (RandD) hub and a global education hub that attracts students from around the world. Our policies can be fine tuned to achieve this goal.

THE EMERGING SKILL SHORTAGE:

While India's young demographic profile has the country favorably placed in terms of manpower availability, talent supply shortages are emerging. This is extremely disconcerting especially for the knowledge services sector, which, over the last few years has emerged as a significant growth engine with demonstrated gains in terms of exports, employment and very visibly in urban development across several cities in the country. Research has shown that so far, only a tenth of the global addressable market for these services has been tapped. With its early lead and strong fundamentals (demographics, economics, and expertise), India is best positioned to take advantage of this opportunity. Yet the unsuitability of a large proportion of the talent pool in the country could lead to significant lost opportunities. The NASSCOM-McKinsey Report 2005 projections indicate that these will fall short by about 500,000 suitable professionals (representing an opportunity cost of US\$ 10bn) by the end of the decade and in the absence of corrective action, this gap will continue to grow. However, if current trends are maintained, the IT-ITES sector (IT-ITES alone of the knowledge sector) will need an additional 1 million plus qualified people in the next 5 years and will generate exports of US \$ 86 billion in FY 2012. If the country is to capitalize on the huge opportunity in this and other areas of knowledge services, what is needed is a major thrust at all levels of education. Clearly, substantial expansion and radical reform of the education sector are called for to ensure that we are able to meet the quality and quantity of professionals needed by the country.

EXPANSION OF HIGHER EDUCATION:

Expanding the scale of higher education is only one part of the solution. We must simultaneously address the problems of varying standards, outdated syllabi and also inadequate facilities. Most of all, we must address the need to create an environment that will attract top class faculty to our universities, with the freedom and resources to interact effectively with their global peers. This will require,

in many respects, a complete revamping of existing systems. The triple objectives of expansion, inclusion, and excellence will require a substantial increase in resources devoted to this sector by both the Centre and the states. Successive annual plans will have to provide rising levels of budgetary support. This must be accompanied by internal resource generation by the universities by realistically raising fees. While it is important to expand access to high quality institutions for the poor and socially disadvantaged, it is also important to recognize that the ability to benefit from higher education is effectively determined by the quality of schooling available to these groups at the school level. The access of those groups to high quality schooling must therefore be improved to ensure that they are not at a disadvantage when they enter institutions of higher education.

The Open University system is an important instrument for expanding higher education since it overcomes the infrastructure constraint. Until a larger network of accessible and well supported colleges is developed, the open schooling programme should be strengthened and expanded. In case of subjects that do not require laboratory work, it will be helpful for students to access prerecorded selection of lectures, tutorials, and standardized tests available at internet kiosks. Testing and examination centres where students can take standardized examinations in parts can reduce the pressure. For this autonomous institutions charged with the responsibility of testing and examination will have to be developed. The 11th plan should pay attention to creation of electronically available content and testing mechanisms so that the pressure on infrastructure can be eased.

CONTROL ON PRIVATE INSTITUTIONS:

The role of the private sector in providing high quality education also needs to be recognized and a suitably facilitative environment created to allow such institutions to support our objectives of expanding higher education. Since, these institutions are neither aided by the Centre nor by the state governments, their fee structure cannot be expected to be at par with those aided by the Centre/state

governments. The present arrangements regarding control over private education institutions have emerged out of a series of court decisions and may not reflect an adequate appreciation of financial compulsions. Private institutions can only develop if they are allowed to charge reasonable fees while also providing need based freeships and scholarships for a certain percentage of students. There is a need to review the system comprehensively to introduce greater clarity and transparency if we want to see a healthy development of quality private sector education.

THE CUTTING EDGE: MANAGEMENT OF SCIENCE AND TECHNOLOGY

In the current knowledge era, our development depends crucially on the ability to harness science and technology to stimulate innovative solutions. Capabilities in S and T therefore are reckoned as a reliable benchmark for establishing the status of the development of a nation. India must occupy a frontline position in this listing.

Inclusive Growth focuses on economic growth which is a necessary and crucial condition for poverty reduction.

IG adopts a long term perspective and is concerned with sustained growth.

(a) For growth to be sustained in the long run, it should be broad-based across sectors.

Issues of structural transformation for economic diversification therefore take a front stage. Some countries may be an exception and continue to specialize as they develop due to their specific conditions (e.g. small states).

(b) It should also be inclusive of the large part of the

country's labor force, where inclusiveness refers to equality of opportunity in terms of access to markets, resources and unbiased regulatory environment for businesses and individuals.

IG focuses on both the pace and pattern of growth. How growth is generated is critical for accelerating poverty reduction, and any IG strategies must be tailored to country-specific circumstances.

IG focuses on productive employment rather than income redistribution. Hence the focus is not only on employment growth but also on productivity growth.

IG has not only the firm, but also the individual as the subject of analysis.

IG is in line with the absolute definition of pro-poor growth, not the relative one.

IG is not defined in terms of specific targets such as employment generation or income distribution. These are potential outcomes, not specific goals.

IG is typically fueled by market-driven sources of growth with the government playing a facilitating role.

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E (I) NTELLECT – INCLUSION OF WEB 2.0 TOOLS FOR RESEARCH COLLABORATIONS – A FUTURISTIC OVERVIEW

Sophia Tharani

ABSTRACT

The purpose of this paper is to turn the spotlight on an arena that has been left unused and/or underutilized by management researchers of the developing countries especially India: Web 2.0 tools. Essentially, web 2.0 tools such as blogs, social networking sites, RSS feeds and wikis, are those that enable greater user participation online and blur the boundaries between producer and user of website. (Cheryl Brown, 2011) Greater use of Web 2.0 tools creates a critical mass of globally interconnected researchers who produce relevant and futuristic information at greater speed and accuracy.

But what has been the impact of web 2.0 in development academia? How have these tools contributed to research collaboration, increasing research uptake and connecting development researchers across the world? The scenario is bleak. There are three broad reasons for lack of adoption: lack of awareness, being prevented from using them or choosing not to use them. Specific barriers include: poor infrastructure or lack of equipment, usability, time, perceived value or credibility of tools, and lack of institutional incentives.

We are still at an early stage in the development and utilization of web 2.0 tools and services. But if experimentation and innovation are to be supported and encouraged, and not stifled, universities, funders and members of the research community will need to develop open-communication and policy frameworks to encourage a balance between innovation and openness on one hand, and integrity and security on the other.

KEYWORDS: research collaboration, global research networking, web 2.0 tools.

INTRODUCTION:

Internet has transformed the world in which we live. Over the past 15 years, the web has transformed the way we seek and use information. In the last 5 years in particular a set of innovative techniques – collectively termed 'web 2.0' – have enabled people to become producers as well as consumers of information. (RIN, 2010) Such services could enable researchers to create, annotate, review, reuse and represent information in new ways. This could promote innovations in how researchers communicate their work and findings that might help realize the e-research vision of improved productivity and reduced 'time to discovery' (Arms and Larsen, 2007; Hey, Tansley and Tolle, 2009; Hannay, 2009).

Web 2.0 refers to a second generation of web development and design that facilitates communication, secure

information sharing, interoperability, and collaboration on the World Wide Web. A central characteristic of Web 2.0 or "Cloud Computing" is the ability of the users to own and exercise control over the data on the web (Page and Ali, 2009). Web 2.0 tools are enabling people from the distant corners of the globe to effectively communicate and construct knowledge, troubleshoot common enigmas, and collaborate in ways that give their previously unheard voice more than a mere echo or some false illusion of truth on the horizon.

E(I)ntellect is the combination of Intellect and internet.

The dictionary defines Intellect as "The ability to learn and reason; the capacity for knowledge and understanding". When intellect collaborates at the e-level, the "e(I)ntellect" is born! (Figure 1)

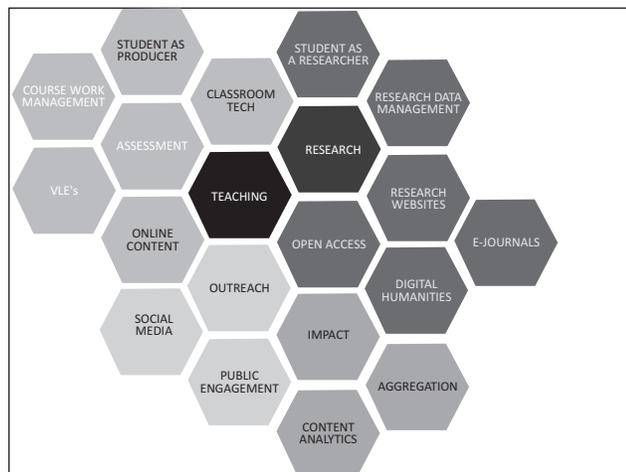
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Figure 1: Academic Technologies - an emerging term for the use of technology to support learning, training and research.



www.amberatwarwick.wordpress.com

WHAT IS WEB 2.0?

Web 2.0 encompasses a variety of different meanings that include an increased emphasis on user-generated content, data and content sharing and collaborative effort, together with the use of various kinds of social software, new ways of interacting with web-based applications, and the use of the web as a platform for generating, re-purposing and consuming content.' (Anderson, 2007)

Web 2.0 services emphasize decentralized and collective generation, assessment and organization of information, often with new forms of technological intermediation (Surowieki, 2004).

Web 2.0 is thus relevant to a large range of scholarly communication practices, from publishing and promoting papers to sharing of digital research artifacts and coordinating collaborative work.

How researchers communicate their work and their findings varies in different subjects or disciplines, and in different institutional settings. Such differences have a strong influence on how researchers approach the adoption – or not – of new information and communications technologies. It is also important to stress that web 2.0 encompasses a wide range of interactions

between technologies and social practices which allow web users to generate, repurpose and share content with each other.

The use of web 2.0 tools for development and particularly for the production and uptake of development research prompts mixed responses. Skeptics warn against jumping on the latest technological bandwagon and point to the continued lack of reliable internet access in developing countries, while enthusiasts champion the tools' potential to radically alter the way knowledge is created and shared. (Cheryl Brown, 2011)

PURPOSE OF STUDY:

The research seeks to increase the understanding of:

- ✍ adoption of web 2.0 tools among researchers in developing countries for knowledge-sharing and collaboration
- ✍ any barriers to adoption, and what might motivate researchers to adopt them
- ✍ ways of increasing the use of “online” tools (Cheryl Brown, 2011)

FOCUS OF STUDY:

For the purpose of this study, the focus is specifically on web 2.0 tools that support research collaboration: blogs, wikis, social networking sites, etc. and that are used by researchers to help them network, work with and exchange knowledge with other researchers online.

METHODOLOGY:

The paper is based entirely on secondary research study obtained from online sources such as wiki forums, blogs, e-journals, websites and search engines.

REVIEW OF EXISTING ONLINE PLATFORMS FOR RESEARCH COLLABORATION

Online social networks for researchers, particularly in the natural sciences, have proliferated in recent years. This creates a problem in terms of adoption, as a large number of researchers are likely to wait until one or two leaders emerge with a critical mass of users, before committing themselves to joining.(Cheryl Brown, 2011) A few of the networks that are active in research collaboration are:

✍ **Academia.edu – 413,000+ members**

Acts more as a database of researchers that is focused on tracking member activity. The platform enables academics to track what others are doing, to share and download publications, see who is following them and notifies members when they are found on Academia.edu through a Google search. <http://www.academia.edu/>

✍ **EURAXESS Links – membership unknown**

Created by the EC for European researchers working outside of Europe to support international research collaboration. <http://ec.europa.eu/euraxess/links/>

✍ **GraduateJunction.net – 18,500+ members**

The content here is almost entirely restricted to members and to register an individual must have an email address that is recognized as being from an academic institute e.g. ending in ac.uk or .edu. <http://www.graduatejunction.net/>

✍ **LabSpaces.net – membership unknown**

This is a public access news site for scientific researchers. It includes discussion groups (members must register to participate in them) and features feeds from members' blogs and other news sources. <http://www.labspace.net/>

✍ **LinkedIn – 100 million+ members**

Although intended as an online networking site for professionals, there are many researchers on the site, including those from developing countries. It enables members to add content from other web 2.0 tools e.g. Twitter updates, WordPress, Amazon reading lists, etc. LinkedIn allows users to customise their own homepage and to track who has visited their profile. <http://www.linkedin.com/>

✍ **MyNetResearch – 17,500+ members**

A commercial, sophisticated and user-friendly site which is free to join but with more advanced research and communication tools available for fee-paying members and institutions such as online survey software, bibliography creator, etc which brings it closer to a collaborative or VRE model. <http://www.mynetresearch.com/>

✍ **VIVO – seven partner institutions**

This is quite different from the other social networks in that it is an open source software developed to enable academic organizations to create their own “one-stop shop for publicly-available institutional data” (Sourceforge). <http://vivo.cornell.edu/>

KEY FINDINGS:

Key findings from the study are grouped under two broad classifications, namely, Benefits and Constraints.

1. BENEFITS AND INCENTIVES:

Widespread adoption of web 2.0 services by researchers provides the following benefits and incentives:

- ✍ zero adoption costs
- ✍ unconstrained and rapid dissemination and discussion of ideas and findings
- ✍ facilitates and promotes collaborations across the globe
- ✍ informality of communications
- ✍ scope for comments and interactions before the results of research are published formally
- ✍ increase in the image of the researcher as a knowledgeable person

2. BARRIERS AND CONSTRAINTS:

There are three broad reasons for lack of adoption:

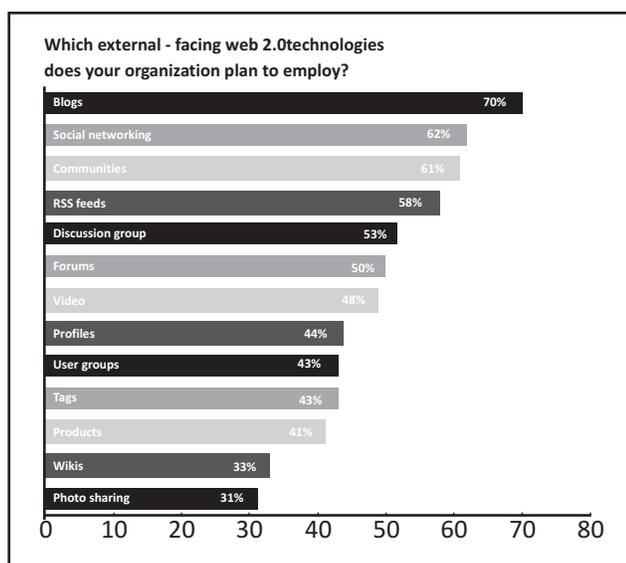
- ✍ lack of awareness,
- ✍ being prevented from using them
- ✍ Choosing not to use them. (Cheryl Brown, 2011)

Specific barriers include:

- ✍ poor infrastructure or lack of equipment,
- ✍ usability, time,
- ✍ perceived value or credibility of tools, and
- ✍ lack of institutional incentives.

The following graph highlights the general apathy that exists in research organizations with regards to using web 2.0 tools.

Graph 1: A sample graph showing the trends in adoption of Web 2.0 technologies in organizations



www.ronnestam.com

Although online academic communities, such as MyNetResearch and Academia.edu, already exist, they appear to have been designed to fulfill the needs of a minority of academics who are already 'web 2.0 literate', have reliable internet access and who recognize the value of using online tools to connect with other researchers.

Studies have found that for researchers to accept web 2.0 tools for professional purposes, they need to be seen as credible. This credibility may come from the volume of members already making use of the tool i.e. a critical mass, or from recognizing specific academics using the tool (Research Information Network, 2010).

RECOMMENDATIONS:

The Research Information Network (July 2010), in its report titled "If you build it, will they come? How researchers perceive and use Web 2.0" have proposed some concrete methodologies for increasing online tools for increased global collaboration among researchers.

FOR INCREASED USAGE:

University computing and information services should:

- ✍ raise awareness of tools and services, and the uses to which they can be put;
- ✍ publicize examples of successful use and good practice;
- ✍ provide guidance and training;
- ✍ Help set standards for curation and preservation.

Universities and funders should:

- ✍ Develop policy frameworks to encourage a balance between innovation and openness on the one hand, and integrity and security on the other.

Researchers should:

- ✍ consider the full range of available tools and services available to support their research and scholarly communications;
- ✍ Share good practice and learn from each other in use of web 2.0 tools.

FOR FUTURE RESEARCH:

Given the lack of reports on adoption of web 2.0 tools by academics in developing countries, it is strongly recommended that primary research is undertaken to supplement these findings.

CONCLUSION:

As with any nascent technology, Web 2.0 is likely to flourish with further development. The extent to which Internet-based collaboration technologies can be used to develop new knowledge and to leverage the wisdom of the crowds heavily depends on the collective willingness to adopt such tools together. The key questions for researchers in deciding whether to adopt web 2.0 tools and services as part of their everyday practice are the values and benefits they may secure from doing so, and how it fits with their use of established tools and services.

Web 2.0 services are currently being used as supplements to established channels, rather than a replacement for them. While a small number of researchers are making frequent and innovative use of web 2.0 tools, the majority use them only sporadically, or not at all. There is relatively little hostility to new mechanisms, and some of those who use web 2.0 tools only occasionally nevertheless express considerable enthusiasm for change. (RIN, 2010)

LIMITATION:

A limitation of this study is the scarcity of existing data and analysis of the uptake of web 2.0 tools among development researchers specifically in developing countries where there is either limited or no access to internet. Hence a knowledge gap exists due to lack of sufficient primary data.

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ETHICS IN BUSINESS - AN OVER VIEW

Poornima Tapas

ABSTRACT

Business ethics focuses on identifying the moral standards of right and wrong as they apply to behavior within and across business institutions and other related organizations. Corporations sometimes behave unethically, having a harmful effect on people or the environment. Unethical behavior is typically not caused by a single "bad apple," but is a result of complex interactions between individuals, groups, and organizational cultures. Ethical behavior can be defined either as behavior that maximizes happiness and minimizes harm or as behavior that is motivated by principles of duty. While behaving unethically may have some short-term benefit for a company, in the long term it will harm stakeholder support. Long-term sustainability comes from concentrating on the triple bottom line: social, environmental, and financial performance.

KEY WORDS: Business Ethics, Sustainability, Triple bottom line.

INTRODUCTION:

Ethics is one of the oldest disciplines, which studies morality. The term ethics was introduced by Aristotle, a great Philosopher, who thoughtfully remarked that ethics "helps to know what to do and what should be avoided". Modern ethics is first and foremost science that allows considering human relationships, as well as evaluates the behavior of people in terms of generally accepted norms. There are professional ethics, which include a system of moral norms of human behavior, belonging to a particular social group. Professional ethics in particular - business ethics include standards of entrepreneur's behavior.

There is a difference between business etiquette and business ethics. Business etiquettes are formed under the influence of certain traditions and the prevailing historical conditions of the country. They are certain rules governing the work style, manner of communication between firms, the appearance of businessmen, sequence and manner of negotiating and so on. Therefore, for those entrepreneurs who cooperate with foreign partners, it is very useful to know the etiquettes followed in various countries prior to the joint activity with those countries.

Business ethics is primarily negotiating with partners; ethical recordkeeping and using ethical methods of competition. Business ethics is considered to be the same for all businessmen across different countries.

It is the behavior that a business adheres to in its daily dealings with the world. The ethics of a particular business can be diverse. They apply not only to how the business interacts with the world at large, but also to their one-on-one dealings with a single customer.

Businesses are interested in making money which is not wrong in itself. It is the manner in which some businesses conduct themselves that brings up the question of ethical behavior. Good business ethics should be a part of every business. There are many factors to consider. When a company does business with another with a bad reputation, it is considered unethical; does this make the first company unethical by association? Some people would say yes, The first business has a responsibility and it is now a link in the chain of unethical businesses.

Many global businesses, including most of the major brands that the public use can be seen not thinking too high on good business ethics. A business may be a multi-million

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seller, but does it use good business ethics and do people care? There are popular soft drinks and fast food restaurants that have been fined time and again for unethical behavior. Business ethics can be applied to everything from the trees cut down to make the paper that a business sells to the ramifications of importing coffee from certain countries. If the company is making large amounts of money, they may not wish to pay too close attention to their ethical behavior. Many major brands have been fined millions for breaking ethical business laws. If a company does not adhere to business ethics and breaks the laws, they usually end up being fined. Many companies have broken anti-trust, ethical and environmental laws and received fines worth millions. The problem is that the amount of money these companies are making outweighs the fines applied. Billion dollar profits blind the companies to their lack of business ethics, and the dollar sign wins. In the end, it may be up to the public to make sure that a company adheres to correct business ethics. Though there are many companies that pride themselves in their correct business ethics, but in this competitive world, they are becoming very few.

If we look in the newspaper on any day of the week we find at least one business scandal in which a corporation appears to have violated the rules or standards of behavior generally accepted by society. Company finances have been manipulated in order to show a better balance sheet than actually exists, toxic waste has been allowed to flow into a river, bribes have been paid to secure a business deal, child labour has been used to assemble a product, discriminatory practices have prevented the employment or promotion of members of a particular group. When businesses behave unethically, they act in ways that have a harmful effect on others and in ways that are morally unacceptable to the larger community. This is very serious because corporate power and impact are increasing as corporations become larger (indeed, global) and as profit-making concerns take over functions that were once publicly controlled, such as the railroads, water utilities,

and healthcare. Increasingly, it is the private sector that determines the quality of the air we breathe, the water we drink, our standard of living, and even where we live and how easily we can move around.

COMMON ETHICAL PROBLEMS WITHIN CORPORATIONS

Given the increasing social impact of business, business ethics has emerged as a discrete subject over the last 20 years. Business ethics is concerned with exploring the moral principles by which we can evaluate business organizations in relation to their impact on people and the environment. Trevino and Nelson (2004) categorize four types of ethical problems that are commonly found in business organizations.

HUMAN RESOURCE PROBLEMS: These relate to the equitable and just treatment of current and potential employees. Unethical behavior here involves treating people unfairly because of their gender, sexuality, skin color, religion, ethnic background, and so on.

CONFLICTS OF INTEREST: Particular individuals or organizations are given special treatment because of some personal relationship with the individual or group, making a decision. For example, a company might get a lucrative contract, because a bribe was paid to the management team of the contracting organization, not because of the quality of its proposal.

ETHICAL PROBLEMS THAT INVOLVE CUSTOMER CONFIDENCE: Corporations sometimes behave in ways that show a lack of respect for customers or a lack of concern with public safety. Examples here include advertisements that lie (or at least conceal the truth) about particular goods or services, and the sale of products, such as drugs, where a company conceals or obfuscates negative data about safety and/or efficacy.

ETHICAL PROBLEMS SURROUNDING THE USE OF CORPORATE RESOURCES: For example, employees who make private phone calls at work, submit false expense claims, take company stationery home, etc. actually are

misusing company's resources.

There are financial scandals that have rocked the corporate world in recent years (Enron, WorldCom, Parmalat, Lehman Brothers, Satyam Saga, to name a few) have involved a number of these different ethical issues. In these cases, senior managers have engaged in improper bookkeeping, making companies look more financially profitable than they actually are. As a consequence the stockholder value of the company increases. Among those profiting will be those making the decisions to manipulate the accounts. However, the downfall of these companies affects stockholders, employees, and society at large negatively, with people losing their retirement reserves and/or savings, and employees losing their jobs.

Another category which can be added to this list is problems surrounding the use of the world's environmental resources. Many organizations have externalized the costs associated with their negative impact on the environment, whether in relation to their own operations to produce goods and services, or in terms of the use and later the disposal of the goods that they have sold. Externalizing means that organizations do not themselves pay for the environmental costs that they create. For example, carbon dioxide emissions, a by-product of energy use for all kinds of organizations, are now recognized as contributing to global warming; computer equipment contains toxic waste that pollutes the land where it is dumped; and packaging of all kinds, including plastic bags that are handed out by supermarkets, are creating mounting problems as local authorities run out of landfill sites. Ethical business takes this into account and offsets its "environmental footprint" so that it engages in sustainable activity. Sustainability broadly means that a business meets the needs of the present without compromising the ability of future generations to meet their needs.

ACCOUNTING FOR ETHICAL AND UNETHICAL BEHAVIOR

While it may be very easy to identify and blame an individual or small group of individuals, to see these individuals as the

perpetrators of an unethical act—the "bad apple"—and hold them responsible for the harm caused. Most accounts of unethical behavior that are restricted to the level of the individual are inadequate. Despite popular belief, decisions harmful to others or the environment that are made within organizations are not typically the result of an isolated, immoral individual seeking to gain personally. Although an individual's level of moral maturity or the locus of control (for example, the degree to which they perceive they control their behaviors and actions) are important factors, we also need to explore the decision-making context—the group dynamics and the organizational practices and procedures—to understand why an unethical decision was made.

Group dynamics influence the decision-making process. A particularly important group-level influence is groupthink; a phenomenon identified by Irving Janis (1982) in his research on US foreign policy groups. The research demonstrates the presence of strong pressures towards conformity in these groups: individual members suspend their own critical judgment and right to question. As a result, they make bad and/or immoral decisions. Janis defines groupthink as "the psychological drive for consensus at any cost that suppresses dissent and appraisal of alternatives in cohesive decision-making groups."

The degree to which decisions are ethical is also influenced by organizational culture or climate. Organizational ethical climates can differ; some are more egoistic, others are more benevolent, still others are highly principled, and these contexts can shape a manager's ethical decision-making.

Smith and Johnson (1996) identify three general approaches that organizations take to corporate responsibility:

Social obligation: The Corporation does only what is legally required.

Social responsiveness: The Corporation responds to pressure from different stakeholder groups.

Social responsibility: The Corporation has an agenda of proactively trying to improve society.

In a company in which the dominant approach to business ethics is social obligation, it is likely to be difficult to justify a decision based on ethical criteria; morally irresponsible behavior may be condoned as long as it does not break the law. Legal loopholes, for example, may be exploited in such a company if these can benefit the company in the short term, even if they might have a negative influence on others in society.

ETHICAL DILEMMAS

Sometimes it is clear that a business has behaved unethically. For example, where a drug is sold illegally, the company accounts have been falsely presented, or where client funds have been embezzled. More common, are situations that pose an ethical dilemma—situations that present a conflict between right and wrong or between values and obligations—so that a choice is necessary. For example, a corporation may want to build a new factory on a previously popular tourist site where there is large-scale unemployment among the local population. Here we have a conflict between the benefits of wealth and job creation in a location where it is crucial but at the cost of spoiling some naturally beautiful countryside. Philosophers have attempted to develop prescriptive theories providing universal laws that enable us to differentiate between right and wrong, and good and bad, in these situations.

PRESCRIPTIVE ETHICAL THEORIES

Essentially there are two schools of thought. The consequentialist argues that behavior is ethical if it maximizes the common good (happiness) and minimizes harm. The opposing non-consequentialist argue that behavior is ethical if it is motivated by a sense of duty or a set of moral principles about human conduct—regardless of the consequences of the action.

CONSEQUENTIALIST ACCOUNTS OF ETHICAL BEHAVIOR

Philosophers who adopt the consequentialist approach (sometimes also referred to as utilitarianism) consider that behavior can be judged ethical if it has been enacted in

order to maximize human happiness and minimize harm. Jeremy Bentham (1748–1832) and John Stuart Mill (1806–73) are two of the best-known early proponents of this view. Importantly it is the common good, not personal happiness that is the arbiter of right and wrong. Indeed, we are required to sacrifice our personal happiness if doing so enhances the total sum of happiness. For someone faced with a decision choice, the ethical action is the one that achieves the greatest good for the greatest number of people after weighing the impact on those involved. Common criticisms of this approach are that it is impossible to measure happiness adequately and that it essentially condones injustice if this is to the benefit of the majority.

NON-CONSEQUENTIALIST ACCOUNTS OF ETHICAL BEHAVIOR

Philosophers who adopt a non-consequentialist approach (also referred to as deontological theory) argue that behavior can be judged as ethical if it is based on a sense of duty and carried out in accordance with defined principles. Immanuel Kant (1724–1804), articulated the principle of respect for persons, which states that people should never be treated as a means to an end, but always as an end in themselves; leading to the easy to remember maxim – do as you would be done by. The idea here is that we can establish moral judgments that are true because they can be based on the unique human ability to reason. One common criticism of this approach is that it is impossible to agree on the basic ethical principles of duty or their relative weighting in order to direct choices when multiple ethical principles are called into question at the same time, or when decisions cut across cultures with different ethical principles.

WHY BEHAVING ETHICALLY IS IMPORTANT FOR BUSINESS?

Choosing to be ethical can involve short-term disadvantages for a corporation. Yet in the long term it is clear that behaving ethically is the key to sustainable development. When there is an ethical dilemma and the immoral choice looks appealing, ask three questions:

What will happen when (not if) the action is discovered?

Increasingly, the behavior of corporations is under scrutiny from their various stakeholders—customers, suppliers, stockholders, employees, competitors, regulators, environmental groups, and the general public. People are less willing to keep quiet when they feel an injustice has been done, and the internet and other media give them the means to make their concerns very public, reaching a global audience. Corporations that behave unethically are unlikely to get away with it, and the impact when they are discovered can be catastrophic. This leads to the second question.

Is the decision really in the long-term interests of the corporation?

Many financial services companies in the United Kingdom generated short-term profits in the 1990s by miss selling personal pensions to people who would have been better off staying in their company's pension plan. However, in the long term these companies have suffered by having to repay this money and pay penalties. Most significantly, the practice has eroded public confidence. The same is true of many banks and mortgage brokers in the first part of the 21st century when they sold mortgages to individuals who could not afford to repay their debts. The eventual result was that large numbers defaulted, causing a meltdown in the global financial system beginning in 2008.

Will organizations that behave unethically attract the employees they need?

Corporations that harm society or the environment are actually harming their own employees, including those who are making the decisions. For example, corporations that pour toxins into the air are polluting the air which their employees' families breathe. Ultimately, a business relies on its human resources. If a company cannot attract high-quality people because it has a poor public image based on previous unethical behavior, it will certainly flounder.

Behaving ethically is clearly a key to the long-term sustainability of any business. Focusing on the triple bottom line—the social and environmental as well as the economic impact of a company—provides the basis for

sound stakeholder relationships that can sustain a business into the future.

ROLE OF BUSINESS ETHICS

The primary role of business ethics is to hold a company and its employees accountable for their actions as they affect others. This includes both internal and external behavior. It keeps businesses and professionals mindful of the consequences of their actions so that they can pursue success responsibly. Business ethics can apply to every aspect of business and thus they typically have a dramatic impact on the structure of a company.

One important role of business ethics is to manage behavior that cannot be covered by governmental laws. There are many actions which, while they are legal, are also detrimental to certain groups such as employees, members of the community, and groups that are affected by the actions of a company. By having a code of conduct, a business can self-regulate its behavior and ensure that it is acting appropriately.

The standards for what is acceptable in the professional environment are constantly changing. Another role of business ethics is to demonstrate behavior that is the current norm. Actions that were acceptable in the past can become inappropriate in later years and vice versa.

In addition to ensuring a company acts with sensitivity, another role of business ethics is to keep the business honest. While many unethical behaviors are not illegal, they can often lead to unlawful acts. Having a code of ethics can encourage employees to stay honest and clear of potentially illegal behavior.

Maintaining strong business ethics can also have an effect on the success of a company. By acting with sensitivity to others, a business can improve its profile in the community and industry. Ethical companies often inspire trust and loyalty in others and in their products or services offered.

Another role of business ethics is to ensure that the power wielded by large corporations is used to good effect. As a business expands, often opportunities for corruption also grow. In some cases this expansion can obscure or destroy valuable elements in a community. With a good code of

conduct, a company can work to repair possible damage caused by its success and even work proactively to help others.

Business ethics can also apply to the shareholders of a company. When making decisions, an ethical company will consider how its behavior will affect all individuals who have a stake in the business. The philosophy is that while it is legal for a company to act in its own best long-term interests, it is moral to also consider the needs of those who support it.

HOW BUSINESS WILL LOOK LIKE IN NEW MILLENNIUM?

It will depend on what critical events will shape individual minds, incite or politicize communities, horrify or inspire society in general. Even if these events are known, their impact on the field of business ethics would be difficult to predict. For example, who could have predicted the impact of the ethics triggers of the late 20th-century United States – Vietnam, Watergate, the Savings and Loan crisis, Challenger, etc? Here were tragedies, each in large measure the result of flawed decision-making, individual hubris and unresponsive organizational environments. Would anyone have anticipated the formulaic remedy of codes, ethics officers, hotlines and training programs – a remedy unlikely to have prevented any of those problems? Yet, this is what comprised business ethics in the United States in the last decade of the millennium. Thus there will be some combination of hopes and expectations for business ethics in the next few decades remembering what Shakespeare wrote, “Often expectation fails, and most often there where most it promises.” However, following measures can minimize the expected failures.

MAKING IT HAPPEN

Following can be some of the ways to ensure sustainable ethical behavior in any organization:

1. Organizations should want to be ethical: Senior management has to get involved. They have to show desire and commitment – 'tone at the top'; and they should lead by example.
2. Gather the facts on what is the problem, and what are the potential solutions?
3. Define the ethical issues: This is a step that is often neglected and so the ethical dilemma raised by a particular decision is never even considered.
4. Identify the various stakeholders involved.
5. Set what is expected: Organizational values should be set and each one should live up to them. Codes of ethics should be defined clearly and they can be 'personal' to the organization. Moreover, they should be clearly communicated to external as well as internal stakeholders.
6. Find out how things are working and make changes: Through conversation, internal audit and getting feedback from staff, customers, suppliers and other stakeholders.
7. Think through the consequences of each solution-What happiness or harm will be caused?
8. Identify the obligations and rights of those potentially affected: What was the duty here? Can harm be avoided and reasonable efforts could be made towards that end?
9. Every individual should check his/her gut feeling.

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NECESSITY OF CREATING ROBUST BRAND PERSONALITY

Mamata K Koti

ABSTRACT

This study focuses on the importance of creating a robust brand personality. The business world today is more driven by brand consolidation strategies. Mergers and Acquisitions have become talk of the town. In this whole process it's the brands that have provided an edge to the companies. Brands are exchanged for billions of dollars; to play the power game in the world of business building a strong brand has become a necessity. Brand building is an exercise that ever marketer claims to have mastered; but not all brands in the market enjoy similar consumer credibility.

This paper is a conceptual discussion on the necessity of creating strong brand personality. The paper has two- tier discussion; firstly, theoretical appreciation of brand personality. Secondly, evaluate the merits of measuring brand personality using Aaker's 1997 brand personality dimensions model.

Introduction:

Much to the great economic opportunity created by the globalization policies in emerging markets like; Brazil, Russia, India and China (BRIC) brands are much sought after by the consuming class in these markets. There will be a total of 75 million households, called 'consuming classes' with an Annual Income Level between \$US1000-4800 by 2005-06 (Acc to TATA Group Economic Survey). A lot can change in a decade! No marketer can afford to miss out on this opportunity

In this scenario, big brands are to woo the major chunk of the market. For a marketer to gain an edge over the typical big brands some fast lessons are to be learnt to gain and win over the market. Making a brand work entitles framing of a rigorous and market- worthy brand strategy.

Review of Literature:

Brand personality is defined as; 'set of human characteristics associated with a brand'. The idea of product or brand personality can be traced back to its origins through the theory of symbolism. It is argued that consumers view their preferred products as an extension of

themselves, and therefore their purchasing behavior is motivated by the symbolic value of the product (Mowen 1990). As explained by Hong and Zinkhan (1995), consumers can satisfy and enhance their self-consistency and self-esteem through this kind of consumption.

The match between brand personality and consumer personality is a concept studied by Blacks ton (1993-1998) and Fournier (1998) which is based on the self image on self congruence notion introduced by Dolich (1969) and further studied by Martin, Bellizin and Sigry.

Theoretical description of Brand Personality

The brand personality idea responds to the needs and trends in the consumer market. The market activity to increase market acceptance of a brand directly correlated to the brand equity. Brand equity is the image created by the brand personality. Creating brand personality can be done in different ways and with different tools. However, the creation always involves active communications on the side of the firm. To ensure effective brand communication an understanding of the fundamentals of brand personality will only aid better grasp over the tools.

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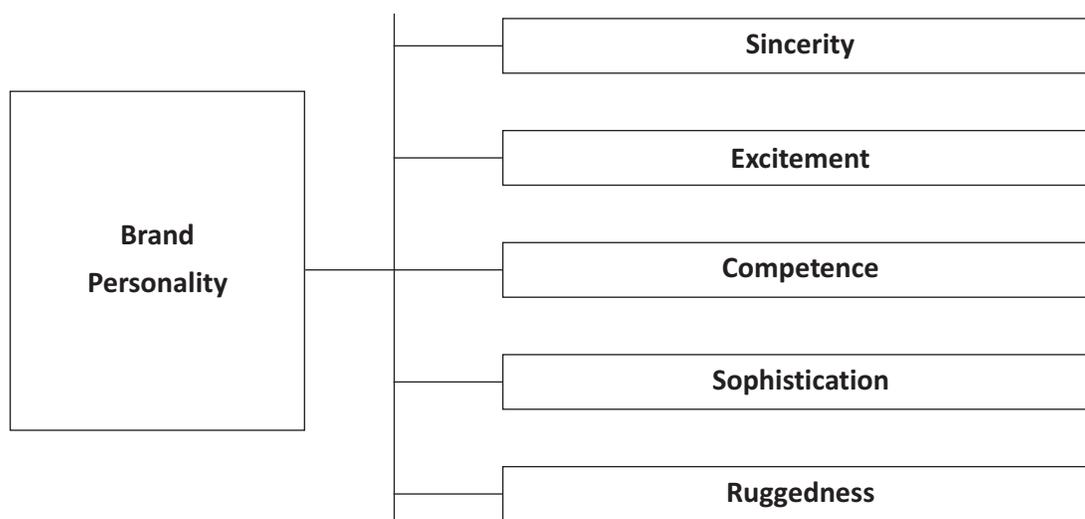
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Brand personality is driven by human personality

Most of the brand personality research has taken the descriptive route to explaining brand personality. Most research has found a relationship between human personality trait and goals; concrete and basic goals

regulate behavior (Pieters 1995, Bagozzi and Dholakia 1999, Huffman 2000), though the direction or nature of this relationship is not known (Pervin 1994) it becomes essential as it identifies those basic goals which help predict personality trait that regulate behavior.

AAKER'S FIVE DIMENSIONS OF BRAND PERSONALITY:



Description of the model:

Five core dimensions and their Facets:

Sincerity; Down-to-earth, honest, Wholesome, Cheerful

Excitement; Daring, spirited, imaginative, up-to-date

Competence; Reliable, Intelligent, Successful

Sophistication; Upper class, charming

Ruggedness; Outdoorsy, Tough

Each facet is in turn measured by a trait. The trait measures are taken by using a five point scale (1=not at all descriptive, 5=extremely descriptive) the traits belonging to each facet are as follows;

Down to earth- Family oriented, small town

Honest; Honest, sincere, real

Wholesome; Wholesome, original

Cheerful; Cheerful, sentimental, friendly

Daring; Daring, trendy, exciting

Spirited; Spirited, Cool, young

Imaginative; Imaginative, unique

Up-to-date; up-to-date, independent, contemporary

Reliable; reliable, Hardworking, secure

Intelligent; Intelligent, technical, corporate

Successful; Successful, leader, corporate

Drawing on the big five model of human personality, Aaker developed the BPS (BPS of 1997), which consists of five generic dimensions: excitement, sincerity, competence, sophistication, and ruggedness. Each of these dimensions are described by attributes which create traits that help develop the personality characteristics;

Excitement is represented by attributes as Daring, spirited, imaginative, up-to-date

Sincerity is represented by attributes such as down-to-earth, real, sincere, exciting, imaginative, and contemporary.

Competence is characterized by attributes such as intelligent, reliable, secure, and confident.

Sophistication is personified by attributes such as glamorous, upper class, good-looking, and charming.

Ruggedness is represented by traits such as tough, outdoorsy, masculine, and Western.

Measuring Brand personality using Aaker's (1997) brand personality scale is propagated for two reasons: First, the BPS is the most comprehensive instrument for measuring brand or product personality. Second, previous studies (e.g., Siguaw, Mattila, and Austin 1999) used this scale to capture brand personality and this scale uses both cognitive and affective dimensions (Crompton 1979; Dichter 1985).

The reliability of Aaker's Model:

Since the Aaker's model for measuring brand personality dimensions have been applied to various settings across different cultures to gauge consumers' symbolic consumption and their effects on behavior (Aaker, Benet-Martinez, and Garolera 2001; Supphellen and Grønhaug 2003) it is robust and finds greater acceptance. As this scale was generic it could be applied across cultures. Several studies have examined the applicability of the scale in various settings and across cultures (as shown in table-1). This scale has proved its validity through its robust application, when it has been applied to different brands across product categories- Venable (2005) investigated the role of brand personality in nonprofit organizations. Using Aaker's (1997) BPS and further complementing it with the

results of qualitative studies, Venable (2005) found four dimensions of brand personality for nonprofits organizations: integrity, nurturance, sophistication, and ruggedness. Thereby Aaker's model - BPS remains the most stable, reliable, and comprehensive measure to gauge brand/product personality.

Conclusively, we seek to integrate existing knowledge of brand/product personality in the consumer goods settings. Second, because of the hedonic nature of consumer purchase behavior we emphasize on the necessities of using a blend of qualitative- symbolic measures and also the quantitative measures for interpreting brand personality. As a human personality even brand personality involves emotional antecedents it needs to be nurtured and grown by strategic thinkers. Successful brand persona creates a lasting Brand equity.

Managerial interpretation:

The paper puts brand personality into perspective. In today's market of acquisitions and mergers where every brand manager is starving for greater brand equity; brand personality is a step forward. As the theoretical review points out brand personality can be created on basic riders as; Consumer personality profile should be reflective in

TABLE 1

PRODUCT/BRAND PERSONALITY MEASUREMENTS

Selected Reference	Scale Used	Dimensions/Rating Scales	Number of Dimensions Found	Settings
Birdwell (1964)	Own	One-dimensional - 22 items - 7-point semantic differential	1 dimension	Automobile Brands
Dolich (1969)	Own	7 dimensions - 22 items - 7-point semantic differential	Not reported	Commercial Brands
Malhotra (1981)	Own	One-dimensional -15 items - 7-point semantic differential	1 dimension	Automobiles and Actors

Karande, Zinkhan, and Lum (1997)	Malhotra (1981)	One-dimensional -15 items - 7-point semantic differentia	1 dimension	Automobile brands
Aaker (1997)	Own	5 dimensions - 42 items - 5-point Likert-type scale	5 dimensions	Commercial Brands
Siguaw, Mattila, and Austin (1999)	Aaker (1997)	5 dimensions - 42 items - 5-point Likert-type scale	5 dimensions	Restaurants
Aaker, Benet-Martinez, and Garolera (2001)	Aaker (1997)	5 dimensions - 42 items - 5-point Likert-type scale	5 dimensions	Commercial Brands
Caprara, Barbaranelli, and 2001	Goldberg (1990)	5 dimensions - 40 items -5-point Likert-type scale	2 dimensions	Commercial Brands
Davies, Chun, da Silva, and Roper 2001	Aaker (1997)	5 dimensions - 42 items - 5-point Likert-type scale	5 dimensions	Corporate Brand
Venable et al. 2005	Aaker (1997)	5 dimensions - 42 items - 5-point Likert-type scale	4 dimensions	Nonprofit Organizations
pphellen and Grønhaug (2003)	Aaker (1997)	5 dimensions - 42 items - 5-point Likert-type scale	5 dimensions	Commercial Brands
Ekinci and Riley	Own	One-dimensional - 5 items - 7-point semantic differential	1 dimensions	Restaurants and Hotels
Rojas-Méndez, Erenchun-Podlech, and Silva-Olave	Aaker (1997)	5 dimensions - 42 items - 5-point Likert-type scale	4 dimensions	Automobile brands

our brand personality. Consumer's emotional and physical attributes are important to devise the brand personality traits. Consumers tend to be motivated highly to brands that exhibit congruent brand personality. Brand personality is a measurable dimension of the brand. So it makes a greater applicable value to the brand as it provides the avenue to increase the brand equity. Aakers' Brand personality model is versatile as it fits all cultures. Aakers Brand personality model is an analytical tool that provides every brand manager a quantifiable scale of

brand personality thereby providing a comprehensive all encompassing strategy that will aid the growth of the brand.

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PRIORITY SECTOR LENDING-A CASE STUDY OF UTKAL GRAMYA BANK IN ODISHA

Santosh Badatya

ABSTRACT

This paper is an attempt has been made to study the performance of Utkal Gramya Bank (UGB, erstwhile KAGB) in priority sector lending and to analyze the problems and prospects of UGB in credit dispensation to these sectors and in achieving the targets set by the Reserve Bank of India (RBI). It has been formed through amalgamation of Kalahandi Anchalika Gramya Bank (KAGB), Bolangir Anchalika Gramya Bank (BAGB) and Koraput Panchabati Gramya Bank (KPGB) sponsored by State Bank of India in Orissa with effect from 31st July 2006.

The study is based on secondary data collected from the various Annual Reports of KAGB and UGB. The period of study chosen covers 2001-02 to 2011-12. The indicators chosen for studying the performance of UGB in priority sector lending are the growth of credit-deposit ratio, growth of advances to priority sectors, growth of credit disbursement to weaker sections and the recovery performance both in farm as well as non-farm sector. For evaluation of the performance, the ratios and percentages have been computed using data related to the chosen indicators using various annual reports of KAGB and UGB in the study period.

KEY WORDS: C-D Ratio, Priority Sector Lending, Recovery Performance, Weaker Sections of Society.

INTRODUCTION:

Initially the banking system in India was predominantly urban oriented and essentially catering to the needs of industry and wholesale trade. The response of the banking system to move to the rural areas and advances to the hitherto neglected sectors was very poor. The nationalization of India's fourteen largest scheduled commercial banks in July 1969 imparted a revolutionary push to making the banking system to meet the credit needs to the hitherto neglected sectors which gradually called as "Priority sectors".

TRENDS IN PRIORITY SECTOR LENDING:

In 1972, when the definition of certain "priority" sectors was formalized, these included agriculture and allied activities and small scale and cottage industries. Since then, the scope and extent of priority sectors have undergone several changes. At present, priority sector lending includes financing of agricultural activities, small-scale industry, small business, export activities, professional and self-employed persons, weaker sections, education,

housing, consumption loans, micro-credit, food and agro-based processing sector, software industry, venture capital, leasing and hire purchase, loans to urban poor indebted to non-institutional lenders etc. (Roy, 2006).

As large number of beneficiaries of priority sectors belong to the rural areas, credit dispensation to these sectors represents the bulk of the bank credit to the rural sector. In 1951, the historic All India Rural Credit Survey (AIRCS) found that the share of banks in rural credit was less than one percent. In the colonial period, Indian banks ignored rural credit (Chandavarkar, 1984). During 1950s and 1960s, the role of private commercial banks in rural credit remained minimal and indirect. The AIRCS itself had wanted the involvement of these banks in agricultural marketing and processing but not directly in farm output. Rural branches of commercial banks were few despite a 1954 directive of RBI to open at least one branch in an unbanked rural and semi rural areas for every branch opened in previously banked areas (Meyer and Nagarajan, 2000). The Imperial Bank of India was nationalized in 1955 and the new State Bank of India was asked to open

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400 branches in semi-urban areas and start agricultural lending; even if at a loss. Still up to 1971, the share of banks in rural credit was no more than 2.4 per cent and most of these loans were given to plantations (Shah et al, 2007).

The RBI set a target of 33 percent lending to priority sectors in 1975, which was raised to 40 per cent. In 1980, sub targets of 16 percent of lending to agriculture and 10 percent to “weaker sections” were set. In 1976, the Regional Rural Banks (RRBs) were established to extend credit facility to rural sector particularly to small, marginal farmers and agricultural labourers, artisans and entrepreneurs. A major impetus to rural credit was provided by the establishment of NABARD in 1982 for facilitating credit flow to agriculture, rural industries and all other allied activities in rural areas. Thus the number of rural branches of banks (including RRBs) increased from 1443 in 1969 to around 35000 in 1993, which steadily declined thereafter to around 30000 in 2006. But the share of rural branches went up from 18 to 58 per cent during the same period. Between 1961 and 2000, the average population served by a bank branch fell from 140000 to just fewer than 15000.

The share of priority sector advances in total credit of scheduled commercial banks was 14 per cent in 1969, which reached its peak level of 42.9 per cent in 1987 but has fallen to 36.1 per cent in 2006, might be due to the mergers and swapping of rural branches of RRBs after 1990. It is noticed that the number of RRB branches that rose to 196 by 1990, had fallen to 104 by 2006 (RBI, 2007) and to 96 as on 30th April 2007. Under the process 145 RRBs have been amalgamated to form 45 new RRBs. The share of agriculture in total bank credit was also fallen from 19 per cent in 1990 to under 11 per cent in 2005.

Against this backdrop, an attempt has been made to study the performance of Utkal Gramya Bank (UGB, erstwhile KAGB) in priority sector lending and to analyse the problems and prospects of UGB in credit dispensation to these sectors and in achieving the targets set by the Reserve Bank of India (RBI). It has been formed through amalgamation of Kalahandi Anchalika Gramya Bank (KAGB),

Bolangir Anchalika Gramya Bank (BAGB) and Koraput Panchabati Gramya Bank (KPGB) sponsored by State Bank of India in Orissa with effect from 31st July 2006.

OBJECTIVES OF THE STUDY:

The basic objectives of the present study are as follows:

1. To analyse the performance of UGB in maintaining the credit-deposit ratio in the economically backward districts of Orissa during the study period.
2. To evaluate the performance of UGB in priority sector lending during the study period.
3. To examine the disbursement of advances by UGB to weaker sections particularly to minorities and small farmers, marginal farmers and agricultural labourers.
4. To study the recovery performance of UGB both in farm as well as non-farm sector during the study period in Orissa.

METHODOLOGY:

The study is based on secondary data collected from the various Annual Reports of KAGB and UGB. The period of study chosen covers 2001-02 to 2011-12. The indicators chosen for studying the performance of UGB in priority sector lending are the growth of credit-deposit ratio, growth of advances to priority sectors, growth of credit disbursement to weaker sections and the recovery performance both in farm as well as non-farm sector. For evaluation of the performance, the ratios and percentages have been computed using data related to the chosen indicators using various annual reports of KAGB and UGB in the study period.

ANALYSIS AND DISCUSSION:

Credit –Deposit Ratio:

The credit deposit ratio is one of the important indicators to assess the functioning and performance of a bank. It is observed that the ratio is less than one in all the years during the study period (Table-01), which implies that the deposits exceed the advances. Of course, it lies above 0.60 in all the years excepting from 2005-06 to 2008-09. Among

the years in the whole period, the ratio was lowest at 0.53 in 2007-08 and highest at 0.69 in 2010-11. It shows that the bank lacks scope for furthering more advances than deposits as all the fifteen districts covered by UGB are economically backward and have structural deficiencies. In order to ensure that the rural deposits were not used to increase urban credit, the RBI directed that each rural and semi urban bank branch had to maintain a credit deposit ratio of at least 60 per cent. It is found that UGB fulfils RBI norms in most of the years as the credit deposit ratio is above 0.60 during the whole period except the years from 2005-06 to 2008-09, in which the ratio lies between 0.53 and 0.59 not much below the RBI norm. It shows that the performance of UGB in maintaining the credit deposit ratio of at least 60 per cent is satisfactory.

Table-1: Credit deposit Ratio of UGB from 2001-2002 to 2011-12

(Rs. in lakhs.)

Year	Amount of deposits	Amount of advances	Credit deposit ratio
2001-02	5565.10	3306.86	0.67
2002-03	7156.77	4651.31	0.65
2003-04	8894.96	5725.76	0.64
2004-05	11244.00	7126.86	0.63
2005-06	14331.40	8099.82	0.57
2006-07	17211.16	9492.15	0.55
2007-08	20425.83	10813.88	0.53
2008-09	22562.83	13352.91	0.59
2009-10	127976.76	80682.77	0.61
2010-11	151378.41	104945.55	0.69
2011-12	182003.90	119434.76	0.65

(Sources: Various issues of Annual Reports of KAGB and UGB.)

ADVANCES TO PRIORITY SECTOR:

RBI sets a target for priority sector lending for scheduled commercial bank at 40 per cent. But it raises the target for

RRBs to the level of 60 per cent as RRBs were mainly established for development of rural sector through disbursement of credit to rural activities. It is observed that the share of advances to priority sector fulfils the RBI norms of 60 per cent in all the years during the period of study (Table-2). It is found that throughout the period of study the percentage of credit disbursed to priority sectors was 70 or more. It shows that UGB has been emphasizing the credit deployment in priority sectors and hence its efforts in financing the priority sectors in the fifteen economically backward districts of Orissa are noteworthy.

ADVANCES TO WEAKER SECTIONS:

The RBI issued another directive in 2007, which states that out of the total advances disbursed to the priority sectors at least 25 per cent should be devoted to weaker sections including minorities and small farmers, marginal farmers and agricultural labourers. It is observed that UGB fulfils the RBI norm in all the years during the study period (Table-2). The percentage share of advances to weaker sections in total priority sector advances is lowest (28.10) in 2001-02 and highest (62.19) in 2010-11. In all the years the share is much above the RBI target. It shows that UGB has left no stones unturned in playing its role in financing the weaker sections of the districts under its jurisdiction.

Table-2: Advances disbursed to Priority Sector and Weaker sections by UGB from 2001-2002 to 2011-12

(Rs. in lakhs.)

Year	Priority sectors*	Weaker Sections Minorities		Total	
		SF/MF/AL	Total**		
2001-02	3085.00 (82.49)	17.00	850.00 (28.10)	867.00	3740.00
2002-03	3836.00 (82.48)	31.00	1235.00 (33.80)	1266.00	4651.00
2003-04	4897.00 (85.37)	32.50	2312.00 (47.88)	2344.50	5725.76
2004-05	6084.30 (70.16)	33.98	1917.86 (32.57)	1951.84	7126.86
2005-06	5683.13 (73.16)	35.67	2013.75 (36.06)	2049.42	8099.82
2006-07	7001.45 (73.76)	36.98	2361.41 (34.26)	2398.39	9492.15
2007-08	8055.49 (74.49)	95.90	3260.50 (41.67)	3356.40	0813.88

2008-09	10682.57 (80.00)	118.70	4962.14 (47.56)	5080.84	13352.91
2009-10	65831.51 (81.59)	1637.65	35051.00 (55.73)	36688.65	80682.77
2010-11	83620.60 (79.68)	3040.42	36528.38 (62.19)	39568.80	104945.55
2011-12	85856.26 (71.88)	4978.68	35470.98 (47.11)	40449.66	119434.76

(Sources: Various issues of Annual Reports of KAGB and UGB.)

* - Figures in parenthesis in this column represent percentage to total advances.

** - Figures in parenthesis in this column represent percentage to priority sector advances.

RECOVERY PERFORMANCE

The success of a bank always lies in its effectiveness in timely recovery of the advances it has disbursed. Therefore the recovery performance of a bank indicates its priority in collection of the funds that has been lent. In case of UGB, it can be noticed that the recovery performance is not less satisfactory as in all the years except 2001-02, the recovery percentage of the bank has been more than 60 per cent (Table-3). Particularly after the merger in 2010, it is found that the recovery performance has been improved to the level of above 70 per cent which raises the status of UGB to be a successful RRB in Orissa.

The recovery position in farm and non-farm sectors, when compared, it is found that there is satisfactory progress in both the sectors as more than 60 per cent of advances has been recovered from the clients in all the years and in both the sectors except the farm sector recovery in 2001-02 (Table-4). The recovery percentage in farm sector lies lower than the non-farm sector in all the years which shows the susceptibility of the farm sector in giving low income to people. The farm sector is always unpredictable as in our State the percentage of irrigated lands has been low and hence the rainfall in the State determines the level of income.

Table-3: Recovery Performance in UGB from 2001-2002 to 2011-12

(Rs. in lakhs)

Year	Demand			Recovery		
	Farm	Non-farm	Total	Farm	Non-farm	Total
2001-02	686.00	553.00	1239.00	360.00 (52.47)	338.00 (61.12)	698.00 (56.34)
2002-03	855.00	775.00	1630.00	524.00 (61.29)	486.00 (62.71)	010.00 (61.90)
2003-04	1128.17	832.03	1960.20	693.81 (61.50)	578.83 (69.57)	272.64 (64.92)
2004-05	1421.96	731.16	2153.20	912.60 (64.18)	545.17 (74.56)	1457.77 (67.70)
2005-06	1848.12	1007.76	2855.90	1211.48 (65.55)	684.09 (67.88)	895.57 (66.37)
2006-07	1945.92	1494.40	3440.32	1337.46 (68.73)	955.56 (63.94)	293.02 (66.65)
2007-08	2488.10	1378.51	3866.61	1614.77 (64.90)	967.78 (70.20)	582.55 (66.79)
2008-09	2538.10	3083.67	5622.02	1600.47 (63.05)	2161.79 (70.10)	762.26 (66.92)
2009-10	14522.60	13142.68	27665.28	9877.37 (68.01)	9874.70 (75.13)	19749.37 (71.38)
2010-11	19747.41	14440.93	34188.34	13065.25 (66.16)	11208.75 (77.62)	24274.00 (71.00)
2011-12	26681.23	14663.86	41345.09	19251.75 (72.15)	11836.23 (80.72)	1087.94 (75.19)

(Sources: Various issues of Annual Reports of KAGB and UGB.)

Figures in parenthesis represent percentages.

CONCLUSIONS

It can be concluded from the study that UGB as a RRB has been faring well in playing its role in financing the priority sector including agriculture and its allied activities, small and cottage industries and rural artisans. It has crossed the target fixed by RBI in advancing credit to priority sectors and the share of the credit to agriculture and the weaker sections including minorities and small, marginal farmers and agricultural labours. Thus in priority sector lending the performance of UGB is highly satisfactory.

In maintaining the credit-deposit ratio also, UGB is successful in fulfilling the RBI norm of advancing at least 60

per cent of the deposits mobilized during the study period. So it can be concluded that UGB has performed well in maintaining the credit deposit ratio also.

In recovery performance, UGB has succeeded in progressing well in both farm as well as non-farm sector during the study period as per the RBI directive of maintaining more than 60 per cent recovery of the advances disbursed. Of course, in case of farm sector, the recovery performance is less than the non-farm sector in percentage terms as it is always adversely affected by the structural difficulties and infrastructural deficiencies of the agricultural sector of the State of Orissa.

Therefore it can be concluded that the UGB as RRB has succeeded in performing its role in financing the priority sectors and more particularly, the weaker sections including the minorities and small, marginal farmers and agricultural labourers among the backward districts of the State. Its performance in maintaining the RBI norms in credit deposit ratio, in its share of advances to priority

sectors, the share of weaker sections in priority sector lending and the recovery position in both farm as well as non-farm sector is highly praiseworthy.

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REJUVENATION OF DORMANT ACCOUNTS USING DIFFERENT FINANCIAL TOOLS OFFERED BY KOTAK MAHINDRA BANK

Ruchita Ramani¹
Swati Koul²
Harshvardhan Bhavsar³

ABSTRACT

In this research paper an attempt has been made to study the dormant account categories that exist in Kotak Mahindra Bank . It emphasizes on rejuvenation and activation of the dormant accounts using different financial tools offered by Kotak Mahindra Bank . The different financial tools used for activation of dormant account are Systematic Investment Plan , Active money ,Autopay , Beat-cheque Registration , Trade-activation offered by Kotak Mahindra Bank . It also helps us to find out the various reasons for customers to use internet banking. It also analyse on various services and products offered by the bank through internet banking .

The banking industry in India has a huge canvas of history, which covers the traditional banking practices from the time of British to the reforms period, nationalization to privatization of banks and now increasing numbers of foreign banks in India. Therefore, Banking in India has been through a long journey. Banking industry in India has also achieved a new height with the changing times. The use of technology has brought a revolution in the working style of the banks.

Nevertheless, the fundamental aspects of banking i.e. trust and the confidence of the people on the institution remain the same. The majority of the banks are still successful in keeping with the confidence of the shareholders as well as other stakeholders. However, with the changing dynamics of banking business brings new kind of risk exposure.

KEYWORDS: Active money , Autopay, Beat-Cheque Registration, Dormant, Rejuvenation.

Introduction :

The Kotak Mahindra group is a financial organization established in 1985 in India. It was previously known as the Kotak Mahindra Finance Limited, a non-banking financial company. In February 2003, Kotak Mahindra Finance Ltd, the group's flagship company was given the license to carry on banking business by the Reserve Bank of India (RBI). Kotak Mahindra Finance Ltd. is the first company in the Indian banking history to convert to a bank. The bank is headed by K.M. Gherda as Chairman and Uday Kotak as Executive Vice Chairman and Managing Director. Shankar Acharya is the chairman of board of Directors in the

company. The Bank has its registered office at Nariman Bhavan, Nariman Point, Mumbai.

SWOT ANALYSIS OF KOTAK MAHINDRA BANK

1. STRENGTHS:

- Professional management.
- Strong technology.
- Well capitalized.
- Comprehensive cash management system.

2. WEAKNESS:

- Punctuality.

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3. OPPORTUNITIES:

- Have best services and product compare to other bank.

4. THREATS:

- Capital Market slow-down.
- Other better Saving Facility by other Competitor.
- Rising Rates.
- Investment option available (like Insurance, Mutual fund, Real-estate, Gold) .
- Government Rules And Regulation.

PRODUCT PROFILE:

- Savings Accounts .

Kotak Mahindra bank's Savings Accounts are designed to ensure that customer's receive the benefits of quick and convenient banking transactions along with options for their money to earn high returns. The savings account goes beyond the traditional role of savings, to provide a range of services from funds transfer options to online payments of bills to attractive returns earned through a comprehensive suite of investment options. Different types of savings accounts are:

- ✍ Ace Savings Account
- ✍ Pro Savings Account
- ✍ Edge Savings Account
- ✍ Corporate Salary Account
- ✍ Silk - The Saving's Programme for Women

- Current Accounts

Accounts deigned for small-mid size business or an enterprise.

Kotak Mahindra Bank offers unparalleled advantages with its three Current Account offerings. Whether have a small/ mid size business or you are an enterprise spread across multiple locations in the country, the customer's would find a Current Account that's just designed for them. With features ranging from Free DDs, Free Cheque Collection, Free At -Par Cheque facility to Free Trading Account and free Demat Account, and more!

- ✍ Edge Current Account
- ✍ Pro Current Account
- ✍ Elite Current Account
- ✍ Ace Current Account

- Term Deposits

Term Deposit with highly attractive interest rates.

Kotak Mahindra Bank brings Term Deposit at highly attractive interest rates coupled with special facilities like Overdraft and Re-investment option.

- ✍ Term Deposits
- ✍ Regular Term Deposits
- ✍ Senior Citizen Deposits
- ✍ Ace Deposits
- ✍ Tax Saving Deposits
- ✍ Sweep-In Facility

- Safe Deposit Lockers

Kotak Mahindra Bank offers Safe Deposit Locker facilities which can be utilized to safe s keep important documents, jewellery and other valuables.

LITERATURE REVIEW

Christy Chung Hevener, M.G.A., Federal Reserve Bank of Philadelphia

Marvin M. Smith, Ph.D., Federal Reserve Bank of Philadelphia

In literature "Innovative Financial Tools for Serving the Underbanked" the term underbanked has been increasingly used to describe the roughly 40 million households in the U.S. who either do not have a banking relationship or have a limited banking relationship with a mainstream financial institution. Many of these underbanked consumers rely heavily on fringe financial service providers, including check cashers and payday lenders, to conduct routine financial transactions, and pay high fees in the process. However, the emergence of new products and services, such as prepaid cards, has broadened the menu of financial services available to the underbanked. Non-profit organizations, among others, have adopted these new financial products as a way to provide financial services to their members at a lower cost.

Michael s. barr, sendhil mullainathan, and eldar shafir

Behaviorally Informed Financial Services Regulation

Financial services decisions can have enormous

consequences for household wellbeing. Households need a range of financial services—to conduct basic transactions, such as receiving their income, storing it, and paying bills; to save for emergency needs and long-term goals; to access credit; and to insure against life's key risks. But the financial services system is exceedingly complicated and often not well-designed to optimize household behavior. For example, choosing a mortgage is one of the biggest financial decisions an American consumer will make, but it can be a complicated one, especially in today's environment where the terms and features of mortgages vary in multiple dimensions. Similarly, credit card contracts now often involve complicated terms and features that may encourage sub-optimal borrowing behaviour. And it has long been remarked that households fail to optimize in their savings decisions.

Sue Azaiez

Importance of access to financial services

Improved access to financial services may be an effective household coping strategy in situations where displacement has become protracted and where IDPs continue to suffer as a result of their marginalisation or where there is no imminent durable solution available – especially when combined with other basic services to support self-reliance.

LITERATURE SURVEY

Process for activating banking relationship:

- Collection of Below AQB Accounts and TOD Accounts data
- Division on the basis of Savings Account and current Account
- Suggesting customers various financial tools to activate banking relationships
- Implementation of Client preferred Financial tools
- Provision for activating banking relationships to customers

This process is carried out for Below AQB Accounts and TOD Accounts

Below AQB Account:

Average Quarterly Balance (AQB) is the average balance to be maintained in the account over the period of a quarter.

It is the sum of the balance in the account at the end of each day for a quarter, divided by the number of days in the quarter.

Account in which AQB is not maintained is known as Below AQB Account.

Provision for Below AQB Account

We will offer to waive off the Hold balances of these customers. In return, the customer will be required to fund the account with an amount equivalent or more than the product AQB. A PROMO Code “BRXXYY06” will be affixed on the account “XX” signifies the month of Revival and “YY” the year of Revival.

PROMO code “BRXXYY06” will signify the account will enjoy NMC Holiday till six months post Revival.

TOD Account

TOD means Temporary Overdraft, an overdraft occurs when money is withdrawn from a bank account and the available balance goes below zero. A current account overdraft is a transaction by means of which the bank authorizes the customer to have more funds available to him than his own funds, or more than an existing credit facility, for a limited period.

A temporary overdraft is the ideal solution for dealing with any unexpected event for which you need additional funds for a short period of time.

Provision for TOD Account

We will offer to waive off the TOD and Hold balances of these customers. In return, the customer will be required to fund the account with an amount equivalent to or more than the product AQB. A PROMO Code “CRXXYY99” will be affixed on the account where “XX” signifies the month of Revival and “YY” the year of Revival.

PROMO code “CRXXYY99” will signify that the account will enjoy waiver of NMC subject to a transaction count per

month for Savings account – 4 per month and Current account – 8 per month. A list of all accounts in PROMO code will be segregated and will be run through a tool for ascertaining whether transaction pattern or AQB has been maintained post 1 year of revival process and hence whether to levy NMC charges or not.

From the above process banking relationships with customers are activated for below AQB and TOD Accounts using financial tools.

Financial Tools

- SIP
- Active money
- Autopay
- Beat-cheque Registration
- E-tax
- Trade-activation

SIP

Management of one's finances to attain a defined goal calls for a lot of discipline, many a times self-imposed. Systematic Investment Plan is a tool, which can help you, inject this discipline in your financial management efforts.

Systematic Investment Plan (SIP) provides you the facility to periodically invest a fixed sum over any defined period of time (6 months or more) in a disciplined manner.

SIPs help in arresting uncertainties associated with trying to time the market and thus, in the long term tends to iron out market fluctuations.

It also brings in the much needed investment discipline as you allocate a defined sum to your investments for a defined frequency, thus making investments a mandatory component while you allocate your resources.

It brings down your average cost of acquisition of units. As you would allocate a fixed sum every month, you would buy more units when the prices of our units are lower than when they are higher. We call this Rupee Cost Averaging.

Finally, through this arrangement, your funds otherwise lying idle (and if you know it, on account of inflation, depleting in real value) in your bank account get channelized into future wealth creating investments.

And of course, you stand to gain in terms of a more favourable entry load on your systematic investments.

ACTIVE MONEY

With Sweep In Facility you can Link your existing Term Deposit to your Savings or Current Account. In case of a shortfall in the account in processing a debit instruction, the deficit is taken care of by withdrawing an exact value from your Term Deposit. The deposit is broken in units of Rs. 1/- thereby giving you the convenience of getting payments processed with ease ensuring complete peace of mind.

Features and Benefits

- ✍ Link your Term Deposit to Savings Account or Current Account.
- ✍ Earn applicable interest on the money till it is swept-in the account, while the remaining Term Deposit amount will fetch you interest of Term Deposit at the contracted rate.
- ✍ Only an exact amount required to make up for the deficit in the account is withdrawn from your Term Deposit in the units of Re. 1/- thereby giving you the convenience of getting payments processed with ease ensuring complete peace of mind
- ✍ Only the principal amount of the Term Deposit will be considered for the sweep-in facility
- ✍ Multiple Term Deposits can be linked to your Savings account.

What Does ActivMoney Do?

Active Money converts idle money in your Kotak Savings Account by moving it to a linked Term Deposit account. Money is transferred to a Term Deposit account in multiples of Rs. 10,000. This earns a higher interest rate when the amount is maintained for a period above 6 months in the Term Deposit account yielding upto 5.5% interest, 2% more than your Savings Account.

With Active Money, moving money between your Savings Account and Term Deposit is done automatically. Your cash is moved out of the Term Deposit whenever your account withdrawals exceed the balance available in your account.

Main Reasons to use Active Money

Earn Higher Returns from Your Savings: Make your Savings Account earn at long term interest rates with ActiveMoney.

Access Your Savings at All Times: Money transferred to your Term Deposit will be transferred back to maintain your Savings account and allow continued access.

Earn Higher Returns Even Over Short Periods: Earn at Term Deposit rates, even when money is in the Term Deposit account for only 15 days.

Zero Charge on Early Withdrawals: Access your savings just like in your regular account with NO CHARGES for early closure of the Term Deposit.

Autopay

With Bill Pay, you can choose to forget about various due dates of your bills. Electricity, telephone, insurance premium, credit card bill and many more can be managed in a hassle-free manner. More than 120 different billers are available. With an add-on feature - AutoPay, you can even set the bill payment system to automatically clear your dues, by each due date. What's more, you can manage your bills through Net Banking, Phone Banking and even through your bank branches.

Beat cheque Registration

With Home Banking, the bank comes to your home to give you the convenience of depositing or withdrawing cash without having to step out. Cheque pick-up and draft delivery are also available. All you have to do is pick up the phone, call our customer contact centre and place a request.

Free Cash /Cheque Pick up and Delivery

You can use our 'Home Banking' service free once per day each for cash pick up/delivery up to Rs 5 lakhs and cheque pick up/ DD delivery from/to your doorstep.

Free Beat Cheque Pick-up

You can get all cheques which are to be deposited in your account, picked up from your office every day absolutely free of charge!

OBJECTIVE OF RESEARCH

The purpose of research is to find the deep insight in the following objective.

1. To understand the dormant account categories existing in Kotak Mahindra Bank.
2. To ascertain whether the financial tools are indeed able to activate banking relationships.
3. To activate banking relationships using client-preferred financial tools.
4. To understand preference of usage of financial tools by customers.
5. To study the criterion of customers for using internet banking.
6. To study the preferred banking services used by the customers which internet banking offers.
7. To study the preferred products that customers buy from internet.

SCOPE

The scope of the study is as given below.

- ✍ The below Average Quarterly Balance (AQB) and Temporary Overdraft(TOD) accounts of the customers in Pune Area were activated with various financial tools through this research paper.
- ✍ This research paper will help to improve profitability of bank. It also helps to determine which financial tools are preferred by the customers.
- ✍ In evaluation of trustworthiness and security of internet banking.
- ✍ In evaluation of banking services used by the customers through internet banking.
- ✍ This research paper helps in evaluation of the most preferred products bought by customers through internet banking.

RESEARCH METHODOLOGY:

Research is an art of scientific investigation. It is defined as "A careful investigation or enquiry especially through search for new facts in any branch of knowledge."

Research methodology is considered as the nerve of the field work of any research . Without proper well organized research plan, it is impossible to complete the research paper and reach to any conclusion.

Therefore, research methodology is the way to systematically solve the research problem. Research

methodology not only talks of the methods but also logic behind the methods used in the context of a research study and it explains why a particular method has been used in the preference of the other methods.

DESCRIPTIVE RESEARCH:

Descriptive research is a Research that provides an accurate portrayal of characteristics of a particular individual, situation, or group. These studies are a means of discovering new meaning, describing what exists, determining the frequency with which something occurs, and categorizing information.

Descriptive research was selected as research design. It is undertaken when the researcher is interested in knowing the complete information according to its objectives. In the case of our research paper, research has to find out which financial tools are preferred by customers to activate banking relationships.

SAMPLING DESIGN:

In statistical usages, the term population is applied to any finite or infinite collection of individuals, so far this research paper is concerned with the below Average Quarterly Balance (AQB) and Temporary Overdraft (TOD) account holding customers is the population.

- Sample Size – 100 account holders.
- Sample Unit – Below AQB and TOD account holders.
- Sample Area – Pune
- Sampling technique – Probability sampling
- Sampling type – Simple random sampling
- Contact method – Personal Schedule.
- Data source – Primary and secondary data.
- Data collection – Questionnaires.
- Type of Questionnaires – Structured and close ended.

SAMPLE SELECTION:

Non probability sampling is any sampling method where some elements of the population have no chance of selection (these are sometimes referred to as 'out of

coverage'/'under covered'), or where the probability of selection can't be accurately determined. It involves the selection of elements based on assumptions regarding the population of interest, which forms the criteria for selection. Hence, because the selection of elements is non random, non probability sampling does not allow the estimation of sampling errors. These conditions give rise to exclusion bias, placing limits on how much information a sample can provide about the population. Information about the relationship between sample and population is limited, making it difficult to extrapolate from the sample to the population.

METHOD FOR COLLECTING PRIMARY DATA:

Questionnaire method is selected for the study. The methods opted for collection of primary data was personal interaction of every person. Fieldwork was done taking the sampling frame. The questionnaire results were summated for each category and tabulated.

METHOD FOR COLLECTING SECONDARY DATA:

Secondary means of data collection involved searching for related theory and cases in different magazines, journals and newspapers. An important source of secondary information was also provided by the literature given by the company, including its induction manual and other pamphlets and Broachers. Secondary data is also collected from annual reports, previous year's records.

Tools of data collection:

✍ Interview Method :

In case of personal interview the interviewer collect the information personally from the various departmental head of the various organizations. The interviewer has crossed examine the persons to generate appropriate information.

✍ Questionnaire Method :

This method consist of various question printed or typed in a definite order or set of form. It is free from bias, the answers are in respondent's own words, and adequate

time is given to give the answer. The question are generally structured and closed ended.

Analysis Techniques:

✍ Pie Chart

This is very useful diagram to represent data, which are divided into a number of categories. The diagram pie chart can make comparison among the various components or between a part and a whole of data.

✍ Bar Chart

As the name implies, It consist of a number of whispered bar, which originated from a common base line and are equal widths, the lengths of the bars are proportional to the value they represent.

Data Analysis:

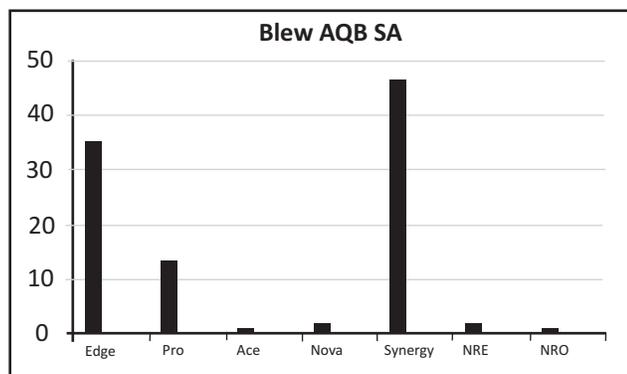
1. Below AQB Savings Account:

Following table shows the percentage of different types of savings account under Below AQB.

Table no. 1

Product type	No of accounts
Edge	35
Pro	13
Ace	1
Nova	2
Synergy	46
NRE	2
NRO	1

Graph no. 1



From the above pie-chart it is observed that most of the below AQB Savings Account holders are holding Synergy Savings Account with a percentage of 46%.

The edge savings account constitutes 35% of the total savings account that lie under below AQB. 13% of the customers hold pro savings account. Nova and ace savings account holders in this category are 2% and 1% respectively.

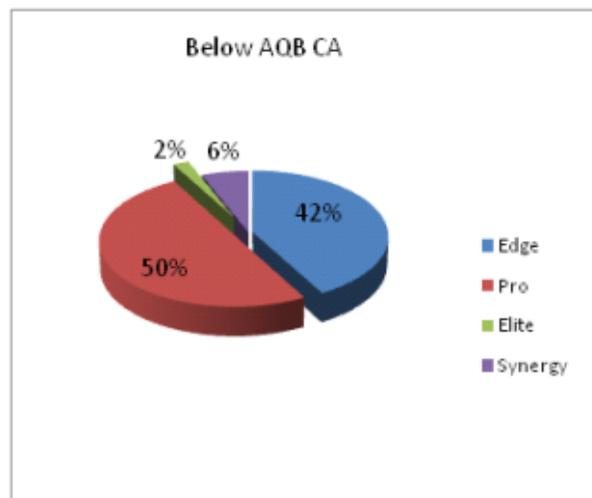
2. Below AQB Current Account :

Following table shows the percentage of different types of current accounts under Below AQB.

Table no. 2

Product type	No of accounts
Edge	42
Pro	50
Elite	2
Synergy	6

Graph no. 2



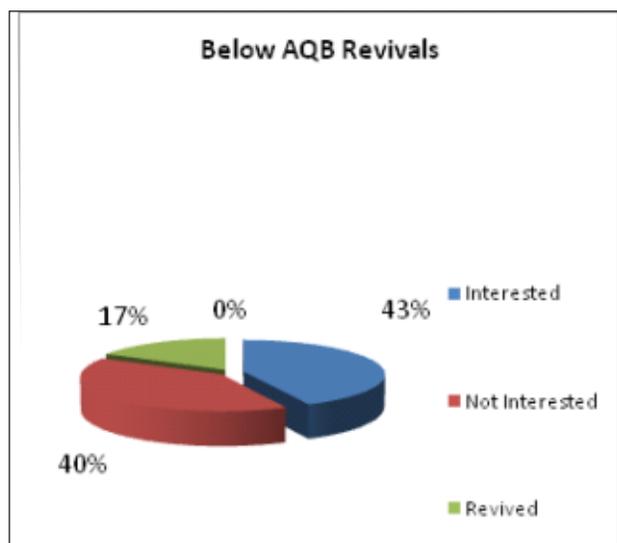
From the above pie-chart it is observed that most of the below AQB Current Account holders are holding Pro Current Account with a percentage of 50%. The next major account type that the customers hold is edge current account with a percentage of 42%. The synergy account holders are 6% and elite account holders are 2%.

2. Following table shows the percentage of customers which are Interested Not interested and those who revived relationship with bank under Below AQB category.

Table no. 3

Interested	Not interested	Revived
43	40	17

Graph no. 3



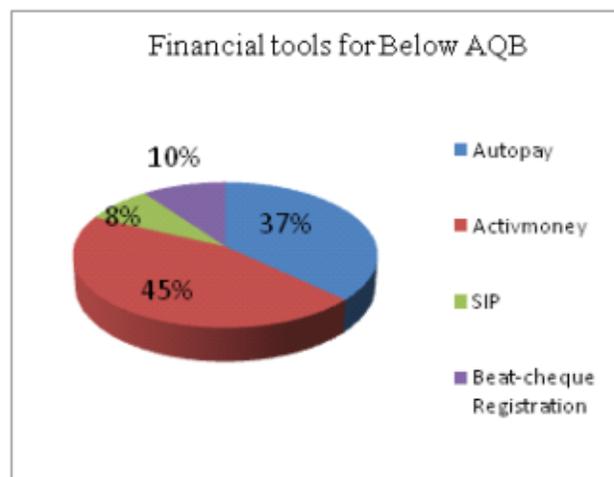
The pie chart above depicts that 17% of the accounts were revived under Below AQB category. The number of customers which are interested to revive their relationship with bank are 43%. The not interested number of customers were 40%.

4. Implementation of Client preferred financial tools for Below AQB accounts.

Table no. 4

FinancialTools	No of accounts
Autopay	37
Active money	45
SIP	8
Beat-cheque Registration	10

Graph no. 4



From the above pie chart it is observed that financial tools preferred by customers are Activemoney and Autopay with a percentage of 45% and 37% respectively. SIP was preferred by 8% of customers. Followed by Beat- cheque registration with a percentage of 10%.

5. TOD Savings Account:

Following table shows the percentage of different types of savings accounts having temporary overdraft.

Table no.5

Edge	Pro	Ace	Synergy	NRE	NRO
62	14	3	16	3	2

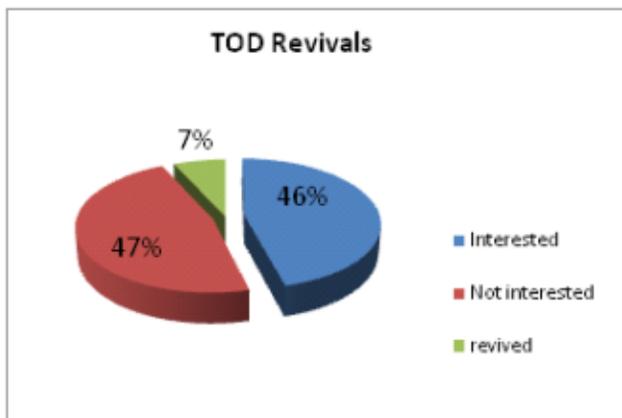
Edge and Pro Current Account with a percentage of 50% and 47% respectively. Synergy account is held by 3% of the customers. There are no account holders of Elite and Ace account type.

7. Following table shows the percentage of customers which are Interested, Not interested and those who Revived relationship with the bank.

Table no. 7

Interested	Not interested	Revived
46	47	7

Graph no. 7



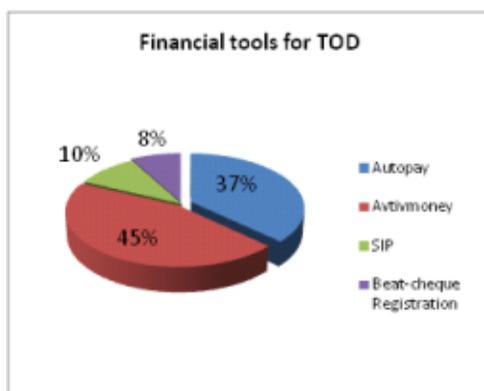
The pie chart above depicts that 7% of the accounts were revived under TOD category. The number of customers which are interested to revive their relationship with bank are 46%. The not interested number of customers were 47%.

8. Implementation of Client preferred financial tools for TOD accounts.

Table no. 8

FinancialTools	No of accounts
Autopay	37
Active money	
SIP	
Beat-cheque Registration	

Graph no. 8



From the above pie chart it is observed that Financial tools preferred by customers are Activemoney and Autopay with a percentage of 45% and 37% respectively. SIP was preferred by 10% of customers. Followed by Beat- cheque registration with a percentage of 8% .

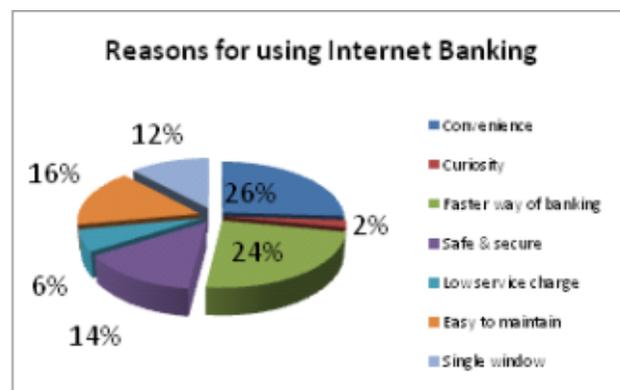
9. Reasons for using Internet banking.

In this research Analysis of security-levels and user-friendliness of Net banking is also carried out through the questionnaire and the responses of some of the questions are analysed as-

Table no.9

Reasons for using Internet Banking	Percent
Convenience	26
Curiosity	2
Faster way of banking	24
Safe and secure	14
Low service charge	6
Easy to maintain	16
Single window	12

Graph no.9



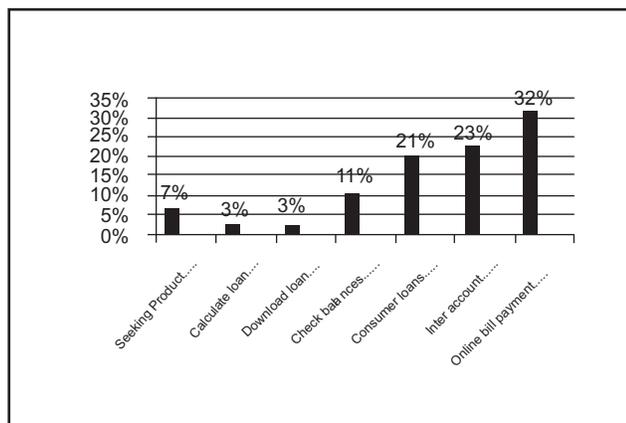
Highest percentage of people i.e. 26% use internet banking because it is convenient. 24% of people feel that it is a faster way of banking. 16% of people find it easy to maintain. 14% of people consider it safe and secure. 12% of people use internet banking because of single window. 6% of people use internet banking because of low service charges. Only 2% of people use internet banking out of curiosity.

10. Mostly preferred Internet banking Services.

Table no.10

Services	Percent
Seeking product and rate information	9
Calculate loan payment information	3
Download loan applications	4
Check balances online	11
Consumer loan or credit cards online	21
Inter account transfer	4
Online bill payment	19

Graph no. 10



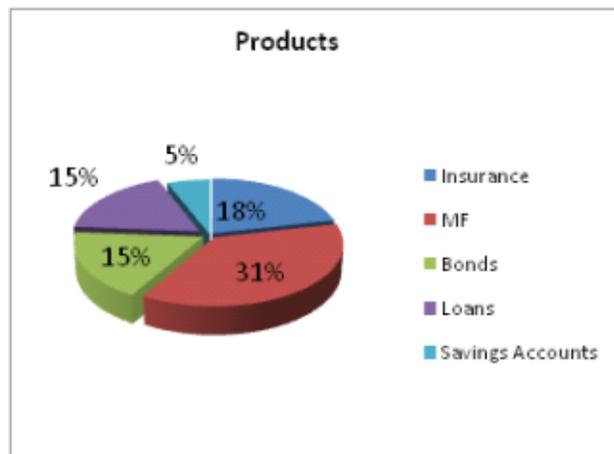
It is observed that the most used service which internet banking offers is online bill payment with 32% customers using it. Followed by inter account transfer with a percentage of 23 % and applying for consumer loans or credit cards with 21%.

11. Most likely Products to buy from internet.

Table no. 11

Products	Percent
Insurance	18
MF	31
Bonds	15
Loans	15
Savings accounts	5

Graph no. 11



From the sample collected it is analyzed that about 31 percent of people buy mutual funds through internet and this being the highest. About 18 percent of people buy insurance through internet. About 21 percent of people buy savings account through internet. And about 15 percent of people buy bonds and 15 percent buy loans through internet.

OBSERVATION:

1. The features of the products and the policies of the bank change from time to time, so one has to be updated on a regular basis.
2. Customers often don't remember their accounts in a particular bank, because of various accounts in other banks also.
3. Maximum number of savings account under below AQB were opened with DEMAT account, so if a customer stops using DEMAT account, the savings account becomes below AQB.
4. Many customers don't close their accounts even when their business no more exists.

FINDINGS:

1. Most of the Below AQB savings account were synergy accounts i.e. these accounts were opened with a DEMAT account.
2. Maximum number of current accounts in below AQB

and TOD categories were Pro account type with which the Beat cheque registration facility is given free.

3. The revived no. of accounts in Below AQB is more than that in TOD.
4. Maximum no. of customers preferred Autopay and Activmoney in both Below AQB and TOD account types.
5. Maximum number of customers in TOD savings account are Edge type in which the lowest AQB is to be maintained.
6. Most of the customers use internet banking because of it's convenience.
7. Most of the customers prefer to buy mutual funds from the internet banking.

CONCLUSION:

Customers prefer Autopay as a financial tool because of the convenience they get in ease of paying different kinds of bills.

Activmoney is also preferred as one of the financial tools, as it fetches a double rate of interest to the customers.

Customers stop using the Synergy savings account which they get with DEMAT account, once they stop using the DEMAT account.

With the Kotak Mahindra Bank offering 6% p.a. for savings account, the highest in the market, more no. of customers showed interest in reviving their relationship with the bank.

The customers were highly satisfied with the net banking demo that was given to them at the time of opening a new account, which no other bank gives.

The major reason behind using the internet banking by the customers is the convenience associated with it.

SUGGESTIONS:

1. The customers should be made aware of the fact, whether the promo code under which their account was opened, still exists or not.
2. The revival of the Below AQB and TOD accounts should be given to a separate department.
3. The procedure for opening a savings or current account in the bank should be made easier and convenient.
4. The time taken by the bank to close an account should be reduced which will be beneficial for banks as well as customers.
5. The customers coming to the bank should be provided with a token number, to serve them in a better manner.

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New Age International Publishers, Page No. 35, 95, 96, 97, 100, 184, 185
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RISING CORPORATE EXPECTATIONS AND DECLINING EMPLOYABILITY DEXTERITY OF MANAGEMENT GRADUATES: A STRATEGIC APPROACH FOR BRIDGING THE GAP

Sunita Shukla

ABSTRACT

Education is very important for an individual's success in life. Education provides pupils teaching skills that prepare them physically, mentally and socially for the world of work in later life. Education is the best investment for the people because well educated people have more opportunities to get a job which gives them satisfaction. Main purpose of education is to educate individuals within society, to prepare and qualify them for work in economy. The current curriculum in management education does not teach students in facing the challenges in business environment. How to manage uncertainty and complexity are not taught in business schools. It merely teaches the concepts with case studies. It does not focus on the challenges arising out of rapid growing technology and the challenges involved in running an enterprise. Management education denotes those activities traditionally conducted by colleges and universities that focus on developing a broad range of managerial knowledge and abilities.

Unquestionably, the major issue in management education is the curriculum offered in our business schools and this concern has been labeled the competency movement. The traditional management education curriculum, as presently constituted, may not be adequately preparing individuals for the challenges they experience as professional managers. Today one fundamental question comes, whether the curriculum of a business school can produce future leader of the corporation with required management skill to meet contemporary challenges. This article attempts to evaluate today's management education standard to develop management skill in the paradigm shift of managing business. As such, the article aims at examining the changing need of management education to produce future leaders of the corporation. The question comes in the study is whether the roles played by leading business schools can be considered as the ones according to expectations of the corporate management generally. Specially, the question is, whether the products of leading business school have got all the required management skills to meet the contemporary challenge of business management.

INTRODUCTION:

Most job-seekers wish they could unlock the secret formula to winning the hearts and minds of employers. What, they wonder, is that unique combination of skills and values that make employers salivate with excitement?

Every employer is looking for a specific set of skills from job-seekers that match the skills necessary to perform a particular job. But beyond these job-specific technical skills, certain skills are nearly universally sought by employers. The good news is that most job-seekers possess these skills to some extent. The better news is that job-

seekers with weaknesses in these areas can improve their skills through training, professional development, or obtaining coaching/mentoring from someone who understands these skills.

If these jobs India's youth are looking for, there are many waiting to be snapped up. The problem, says the India Labour Report 2007, is that the Indian youth are simply "unemployable". "90% of employment opportunities require vocational skills. But 90% of our college and school output has only bookish knowledge," says the study commissioned by Team Lease Services, a human resource and staffing agency. While only 8% of the youth are

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unemployed, 53% have some kind of skill deprivation. This becomes critical, as nearly 90% of jobs in India are still skill based, with the bulk of employment coming from farming, fisheries and other related work.

Failure in quality education and skills, lack of technical and vocational training and policy blunders make it imperative that our system needs a structural change, the report states. A negligible percentage of children who complete the primary level of education continue to the diploma level and an even smaller ratio go on further. The discontinuation of education leads to the accumulation of job seekers in the bottom of the education pyramid and the immediate fallout of this is the low skill levels among the working population.

Numerous studies have identified these critical employability skills, sometimes referred to as "soft skills." We've distilled the skills from these many studies into this list of skills most frequently mentioned. We've also included sample verbiage describing each skill; job-seekers can adapt this verbiage to their own resumes, cover letters, and interview talking points.

WHAT EMPLOYABILITY EXACTLY IS?

From the perspective of employers, 'employability' often seems to refer to 'work-readiness', that is, possession of the skills, knowledge, attitudes and commercial understanding that will enable new graduates to make productive contributions to organizational objectives soon after commencing employment.

Employability skills, teaching is explicitly aimed at enhancing graduates skill sets in ways that should increase their attractiveness to potential employers.

'Employability skills are defined as skills required not only to gain employment, but also to progress within an enterprise so as to achieve one's potential and contribute successfully to enterprise strategic directions.' 'They are also known by several other names, including key skills, core skills, life skills, essential skills, key competencies, necessary skills, and transferable skills. However industry's preferred term is employability skills'.

These skills were seen to have relevance to both entry-level and established employees. It was also recognized that the skills would be prioritized and adapted to suit various job-roles. The eight identified skills are:

- ✍ Communication skills, that contribute to productive and harmonious relations between employees and customers
- ✍ Teamwork skills, that contribute to productive working relationships and outcomes
- ✍ Problem solving skills, that contribute to productive outcomes
- ✍ Self-management skills, that contribute to employee satisfaction and growth
- ✍ Planning and organizing skills, that contribute to long-term and short-term strategic planning
- ✍ Technology skills, that contribute to effective execution of tasks
- ✍ Life-long learning skills, that contribute to ongoing improvement and expansion in employee and company operations and outcomes
- ✍ Initiative and enterprise skills, that contribute to innovative outcomes.

IDENTIFYING EMPLOYABILITY SKILLS

This article provides approaches taken to identify employability skills. through a range of approaches including consultations with employers, students and professional bodies. Some universities have taken highly structured approaches to mapping graduate attributes across curriculum to ensure that these attributes can be readily seen across an entire program or qualification. This enables the identification of gaps and alignment of graduate attributes with discipline-specific content. However many universities have not yet undertaken detailed curriculum mapping for employability skills or graduate attributes, in qualifications; it is therefore not possible to readily see how a given qualification addresses the development and assessment of employability skills.

DEVELOPING EMPLOYABILITY SKILLS

The higher education sector is characterized by diversity; course and student profiles are different and universities aim to develop students with distinct characteristics or

attributes. Universities have taken different approaches in the manner in which they develop graduate employability skills.

Universities work to develop employability skills in their students by providing academic staff with relevant support and resources, integrating these skills into curriculum and course design, providing students with work placements and exposure to professional settings and providing advice and guidance through career services. Furthermore, universities offer students opportunities for developing themselves through participation in clubs and societies and university life.

INDIAN B-SCHOOLS – CURRENT STATUS:

As depicted by the graphs above, Indian B-schools have grown rapidly over last two decades. The wave of management education which was started in 1950s by setting up off IIMs has grown many fold by having 1700 different B-schools across the country. This number appears to be significantly high, however, considering the current status of growth in Indian economy and increasing global trend towards MBA as career boosting tool, there is further room for growth.

Indian B-schools, lead by IIMs, have been following internationally acclaimed pedagogy which has been successful in their American and European counterparts. However, except for the top tier institutions, others have displayed limited success in churning out globally-oriented managers.

However, this is not a unique situation only in India. Across the world, B-schools have come under severe criticism owing to different factors. Indian B-schools are often compared to their global peers on different factors and various studies have attributed failure of the B-schools on various fronts to one or more of the following factors. An essential question to be followed is what are the perceptible benchmarks on which the above changes should be carried out? Obvious answer, in the context of the globalization may emerge is about following the successful models in the other parts of the world. However,

this approach may have limitations. One may observe that most of the above mentioned factors are dependent on different socioeconomic aspects which differ largely in India and other developed countries. Hence, it is obvious that Indian B-schools need far different remedies to treat their woes. The current approach of copying their western counterparts on case-study based curriculum or academic programs may be successful to a limited extent for the best of the B-schools and may not help the second rung B-school. In the next section of this paper, this socio-economic difference between Indian conditions and developed counterparts is defined to understand this point in a better manner and direct the research accordingly. The abovementioned improvements need a large amount of systemic changes. In India, these changes have been initiated at government as well as the school levels at some of the top institutions, yet they will take time to trickle down at the lowest levels and make formidable changes in quality of B-school graduates.

MAJOR REASONS OF WORRY:

Interviews with various industry practitioners helped to identify some of the crucial aspects about management education in India and its limitations in the current form in creating “job-ready” managers as expected by the businesses. According to the industry practitioners the fresh B-school graduates are extremely strong in terms of communication skills and presentation abilities. They have a good understanding about gathering information which is vital for any business decisions and most of the professionals attribute it to the widespread use of information technology tools used by these managers. Most of the MBA graduates believe that MBA is passport for them to have high-flying jobs right from their first day in the organization. Industry experts blame it out on media who have percolated a highly glorified image of MBA placements, salaries and kind of managerial life expected. In words of one the experts, “Every new trainee coming to me wants to work on marketing and strategy, without realizing that a sound strategy is based on ground level experience which a successful marketer has to gather

through enormous customer interactions and on the field sales efforts. The problem in India according to the author is, everybody wants to be a marketing expert, without ever doing a basic sales job, which is absurd” However, except for the pass-outs of the some of the top B-schools, most of the others show a very poor ability to understand their self in terms of abilities or limitations, which often results into a mis-match of expectations they have from the MBA programs, which in turn results into poor performance at the workplace. Ability to assess one's own self is seen as a vital skill by many of the professionals.

Industry experts feel that students mainly lack on the following important skill-sets which a B-school should really focus on in their curriculum :

- ✍ Reading and comprehension skills
- ✍ MS Excel
- ✍ Relationship building skills
- ✍ Lack of industry exposure and right attitude - to “ make their hands dirty at the ground level”
- ✍ Entrepreneurial spirit

In nutshell, industry expects a B-school to provide environment conducive for their students to understand intricacies of managerial responsibility. It requires a blend of both functional (finance, HR etc.) as well as a holistic approach and lead others for achieving organizational objectives. This can only be possible by enhanced industry interaction as echoed by majority of the respondents. Based on the above inputs, the author devised the second stage of the research was devised which not only aimed at assessing the student's views on their own learning experience but also an objective evaluation of various activities undertaken by the B-school to enhance their industry interaction.

SKILLS MOST SOUGHT BY EMPLOYERS

- ✍ Communications Skills (listening, verbal, written). By far, the one skill mentioned most often by employers is the ability to listen, write, and speak effectively. Successful communication is critical in business.
- ✍ Exceptional listener and communicator who effectively conveys information verbally and in writing.
- ✍ Analytical/Research Skills. Deals with your ability to assess a situation, seek multiple perspectives, gather

more information if necessary, and identify key issues that need to be addressed.

- ✍ Highly analytical thinking with demonstrated talent for identifying, scrutinizing, improving, and streamlining complex work processes.
- ✍ Computer/Technical Literacy. Almost all jobs now require some basic understanding of computer hardware and software, especially word processing, spreadsheets, and email.
- ✍ Computer-literate performer with extensive software proficiency covering wide variety of applications.
- ✍ Flexibility/Adaptability/Managing Multiple Priorities. Deals with your ability to manage multiple assignments and tasks, set priorities, and adapt to changing conditions and work assignments.
- ✍ Flexible team player who thrives in environments requiring ability to effectively prioritize and juggle multiple concurrent projects.
- ✍ Interpersonal Abilities. The ability to relate to your co-workers, inspire others to participate, and mitigate conflict with co-workers is essential given the amount of time spent at work each day.
- ✍ Proven relationship-builder with unsurpassed interpersonal skills.
- ✍ Leadership/Management Skills. While there is some debate about whether leadership is something people are born with, these skills deal with your ability to take charge and manage your co-workers.
- ✍ Goal-driven leader who maintains a productive climate and confidently motivates, mobilizes, and coaches employees to meet high performance standards.
- ✍ Multicultural Sensitivity/Awareness. There is possibly no bigger issue in the workplace than diversity, and job-seekers must demonstrate a sensitivity and awareness to other people and cultures.
- ✍ Personable professional whose strengths include cultural sensitivity and an ability to build rapport with a diverse workforce in multicultural settings.
- ✍ Planning/Organizing. Deals with your ability to design, plan, organize, and implement projects and tasks within an allotted timeframe. Also involves goal-setting.
- ✍ Results-driven achiever with exemplary planning and organizational skills, along with a high degree of detail orientation.
- ✍ Problem-Solving/Reasoning/Creativity. Involves the ability to find solutions to problems using your creativity, reasoning, and past experiences along with

the available information and resources.

- ✍ Innovative problem-solver who can generate workable solutions and resolve complaints.
- ✍ Teamwork. Because so many jobs involve working in one or more work-groups, you must have the ability to work with others in a professional manner while attempting to achieve a common goal.
- ✍ Resourceful team player who excels at building trusting relationships with customers and colleagues.

PERSONAL VALUES EMPLOYERS SEEK IN EMPLOYEES:

Of equal importance to skills are the values, personality traits, and personal characteristics that employers seek. Look for ways to weave examples of these characteristics into your resume, cover letters, and answers to interview questions. Here is our list of the 10 most important categories of values.

- ✍ Honesty/Integrity/Morality. Employers probably respect personal integrity more than any other value, especially in light of the many recent corporate scandals.
- ✍ Sample bullet point describing this skill:
- ✍ Seasoned professional whose honesty and integrity provide for effective leadership and optimal business relationships.
- ✍ Adaptability/Flexibility. Deals with openness to new ideas and concepts, to working independently or as part of a team, and to carrying out multiple tasks or projects.
- ✍ Highly adaptable, mobile, positive, resilient, patient risk-taker who is open to new ideas.
- ✍ Dedication/Hard-Working/Work Ethic/Tenacity. Employers seek job-seekers who love what they do and will keep at it until they solve the problem and get the job done.
- ✍ Productive worker with solid work ethic who exerts optimal effort in successfully completing tasks.
- ✍ Dependability/Reliability/Responsibility. There's no question that all employers desire employees who will arrive to work every day -- on time -- and ready to work, and who will take responsibility for their actions.
- ✍ Dependable, responsible contributor committed to excellence and success.
- ✍ Loyalty. Employers want employees who will have a

strong devotion to the company -- even at times when the company is not necessarily loyal to its employees.

- ✍ Loyal and dedicated manager with an excellent work record.
- ✍ Positive Attitude/Motivation/Energy/Passion. The job-seekers who get hired and the employees who get promoted are the ones with drive and passion -- and who demonstrate this enthusiasm through their words and actions.
- ✍ Energetic performer consistently cited for unbridled passion for work, sunny disposition, and upbeat, positive attitude.
- ✍ Professionalism. Deals with acting in a responsible and fair manner in all your personal and work activities, which is seen as a sign of maturity and self-confidence; avoid being petty.
- ✍ Conscientious go-getter who is highly organized, dedicated, and committed to professionalism.
- ✍ Self-Confidence. Look at it this way: if you don't believe in yourself, in your unique mix of skills, education, and abilities, why should a prospective employer? Be confident in yourself and what you can offer employers.
- ✍ Confident, hard-working employee who is committed to achieving excellence.
- ✍ Self-Motivated/Ability to Work With Little or No Supervision. While teamwork is always mentioned as an important skill, so is the ability to work independently, with minimal supervision.
- ✍ Highly motivated self-starter who takes initiative with minimal supervision.
- ✍ Willingness to Learn. No matter what your age, no matter how much experience you have, you should always be willing to learn a new skill or technique. Jobs are constantly changing and evolving, and you must show an openness to grow and learn with that change.
- ✍ Enthusiastic, knowledge-hungry learner, eager to meet challenges and quickly assimilate new concepts.

FINAL THOUGHTS : AN INTEGRATED APPROACH:

Employability skills and personal values are the critical tools and traits you need to succeed in the workplace -- and they are all elements that you can learn, cultivate, develop, and maintain over your lifetime. Once you have identified the sought-after skills and values and assessed the degree to which you possess, them remember to document them

and market them (in your resume, cover letter, and interview answers) for job-search success. Besides, The stronger the link between institutes and businesses, the greater the opportunities will be to integrate and develop employability skills in undergraduates.

RECOMMENDATIONS:

- ✍ To explicitly identify employability skills in all university curriculum
- ✍ To improve and increase access to Work Integrated Learning (WIL)
- ✍ To enhance teaching and assessment of employability skills
- ✍ To offer students self assessment options for employability skills
- ✍ To explicitly report on employability skills demonstrated through Work Integrated Learning
- ✍ To encourage more effective integration of employability skills in student portfolios

CONCLUSION:

The present article tries to make an analysis of employability skills, viz. the survival skills, for the young business graduates.

The study tries to answer a few questions like 1) What is the role of business schools in producing useful graduates for recruiting organizations with employability skills (survival skills) and, 2) How can classroom knowledge be integrated with workplace knowledge in the education process. It is well understood from the research that there is significant relationship between survival skills imparted by the educational institutions, during their academic tenure and employability options. The analysis and findings indicate that management education could play a vital role in synergizing the efforts of industry and institute in grooming young graduates towards better employability options in management professions. The role of business schools has to be reinforced with skill based academic curriculum and have to adapt themselves and be able to make a positive contribution towards employability. The business schools will have to re-think their program, curriculum, approach and training in order to develop future generations with industry expected professional skills.

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STRATEGISING DISTRIBUTION TO MANAGE GLOBAL ECONOMY USING THE GLOBAL DISTRIBUTION SYSTEM (AN HOTELIER'S PERSPECTIVE TO STRATEGIC MARKETING)

Zamarrud Ansari¹
Surbhi Jain²

ABSTRACT

The world is dynamic or the events on this earth? It's amazing to unwind facts that lead to a situation both pleasant and unpleasant. In the scenario of business operations, it's an exciting act to see the rise and fall. Companies need to fit into the crevices of changes that take place during the market ups and downs. Today the challenge being to recover most of what was lost due to the global meltdown, corporations are pitching in various strategies to outpace and outsmart their competitors.

One such strategy used by hospitality majors namely hotels and airlines is use of the Global Distribution System. This system helps them to pool in maximum bookings from across the globe and at a price that probably would be slightly more than their Average Daily Rates (ADR).

This is a working paper which aims to identify the various gateways that are being used by different star category hotels in Pune and Mumbai and also qualitatively analyse the effect of the economic downturn on the bookings and the kind of revenue it generates against the regular bookings for each hotel. Further scope is still being worked on to gather numeric data for a more logical and quantitative analysis that would help in strategic decision making.

The major findings reveal the reasons for use of the global distribution system and throws light on how this distribution system could produce more i.e. it increases the yield, both in terms of occupancy and average room rate (ARR).

Hospitality Industry among all other service industries is at its best even in situations of dire need. Owing to the unfavourable environment that prevails across the globe, Hotels wanting to craft a better position for themselves should strategically choose and implement such systems into their business processes so as to derive maximum capacity utilization and also to integrate themselves as sustained business set ups despite the falls or depressions in economy.

KEYWORDS: *Global Distribution System, occupancy, average room rates, global meltdown, capacity utilization.*

INTRODUCTION

A worldwide computerized reservation network used as a single point of access for reserving airline seats, hotel rooms, rental cars, and other travel related items by travel agents, online reservation sites, and large corporations.[1]

A computer reservations system or central reservation system[2] (CRS) is a computerized system used to store and retrieve information and conduct transactions related to travel. Originally designed and operated by airlines, CRSes were later extended

for the use of travel agencies. Major CRS operations that

book and sell tickets for multiple service providers are known as global distribution systems (GDS). Service Providers have divested most of their direct holdings to dedicated GDS companies, who make their systems accessible to consumers through Internet gateways. Modern GDSes typically allow users to book hotel rooms and rental cars as well as airline tickets. They also provide access to railway reservations in some markets although these are not always integrated with the main system.

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GDS systems are capable of booking–

- ✍ One way and roundtrip airline seats
- ✍ Hotel rooms
- ✍ Rental cars
- ✍ Tours
- ✍ Cruises
- ✍ Bus and rail tickets
- ✍ Insurance
- ✍ Limousines

The premier global distribution systems are Amadeus, Galileo, Sabre, and World span. They are owned and operated as joint ventures by major airlines, car rental companies, and hotel groups. Also called automated reservation system (ARS) or computerized reservation system (CRS)

GDS serves an array of functions as mentioned below:

- ✍ Deliver a worldwide distribution network.
- ✍ Offer sophisticated tools to help today's modern travel agency operate efficiently.
- ✍ Provide extraordinary service to customers.
- ✍ Pioneered electronic ticketing.
- ✍ Pioneered travel e-commerce.
- ✍ Developed and deployed the first graphical interfaces for airline seat selection as well as for all other aspects of the travel industry – hotel, car, and other suppliers.
- ✍ Developed the ability to integrate and simultaneously display published, private/negotiated, consolidator and Web fares for travel agents.
- ✍ Developed lowest fare search capability
- ✍ Developed best-price comparison capability for consumer travel values GDS Facts

The world is dynamic and it's amazing to unwind facts that lead to a situation both pleasant and unpleasant. In the scenario of business operations, it's an exciting act to see the rise and fall. Companies need to fit into the crevices of changes that take place during the market ups and downs. Today the challenge being to recover most of what was lost due to the global meltdown, corporations are pitching in various strategies to outpace and outsmart the competitors; one of which is the use of the Global distribution System.

OBJECTIVES OF THE PAPER

1. To study the awareness of various modes / strategies for distribution used by star category hotels.
2. To analyse whether the business obtained from automated reservation system is substantial/profitable or not.
3. To study the effect of using computerized booking mechanism on various financial parameters such as occupancy and ARR.

Abbreviations Used

GDS: Global Distribution System

ARR: Average Room Rate

ADR: Average Daily Rate

OCC: Occupancy on any given day

RMNT: Room Night i.e. in hospitality terms it means the 24 hour period for which the hotel room is sold. It is generally a 12:00 noon to 12:00 noon cycle.

REVPAR: Revenue per available room

FTA: Foreign Tourist Arrival

CTA: Closed to arrival implies a room booking which is blocked for arrival on a certain day. For instance if a guest wishes to stay in Pune Monday through Thursday and the booking is closed for arrival on Monday. This means the guest will have to book the room from Sunday itself as Monday arrival is not permitted. This ensures filling up of rooms on Sunday night also thereby adding revenue of that room by a day. Closed to arrival has become a popular and acceptable concept in hospitality especially for places or days which are sold out periods or peak business periods.

LITERATURE REVIEW - GLOBAL DISTRIBUTION SYSTEM: AN OVERVIEW

A computer reservations system or central reservation system (CRS) is a computerized system used to store and retrieve information and conduct transactions related to air travel. Originally designed and operated by airlines, CRSes were later extended for the use of travel agencies. Major CRS operations that book and sell tickets for multiple airlines are known as global distribution systems (GDS).

Airlines have divested most of their direct holdings to dedicated GDS companies, who make their systems accessible to consumers through Internet gateways. Modern GDSes typically allow users to book hotel rooms and rental cars as well as airline tickets. They also provide access to railway reservations in some markets although these are not always integrated with the main system.

Origins

In the early days of American commercial aviation, passengers were relatively few, and each airline's routes and fares were tightly regulated by the Civil Aeronautics Board. These were published in a volume entitled The Official Airline Guide, from which travel agents or consumers could construct an itinerary, then call or telex airline staff, who would mark the reservation on a card and file it. As demand for air travel increased and schedules grew more complex, this process became impractical.

In 1946, American Airlines installed the first automated booking system, the experimental electro mechanical reservisor. A newer machine with temporary storage based on a magnetic drum, the Magnetronic Reservisor, soon followed. This system proved successful, and was soon being used by several airlines, as well as Sheraton Hotels and Goodyear for inventory control. It was seriously hampered by the need for local human operators to do the actual lookups; ticketing agents would have to call a booking office, whose operators would direct a small team operating the reservisor and then read the results over the telephone. There was no way for agents to directly query the system.

Remote access

In 1953, Trans-Canada Airlines (TCA) started investigating a computer-based system with remote terminals, testing one design, the researchers found that input and output was a major problem. Ferranti Canada became involved in the project and suggested a new system using punched cards and a transistorized computer in place of the unreliable tube-based Mark I. The resulting system, ReserVec, started operation in 1962, and took over all booking operations in January 1963. Terminals were placed

in all of TCA's ticketing offices, allowing all queries and bookings to complete in about one second with no remote operators needed.

In 1953, American Airlines CEO. R. Smith chanced to sit next to R. Blair Smith, a senior IBM sales representative, on a flight from Los Angeles to New York. C.R. invited Blair to visit their Reservisor system and look for ways that IBM could improve the system. Blair alerted that American was interested in a major collaboration, and a series of low-level studies started. Their idea of an automated Airline Reservation System (ARS) resulted in a 1959 venture known as the Semi -Automatic Business Research Environment (SABRE). [3]

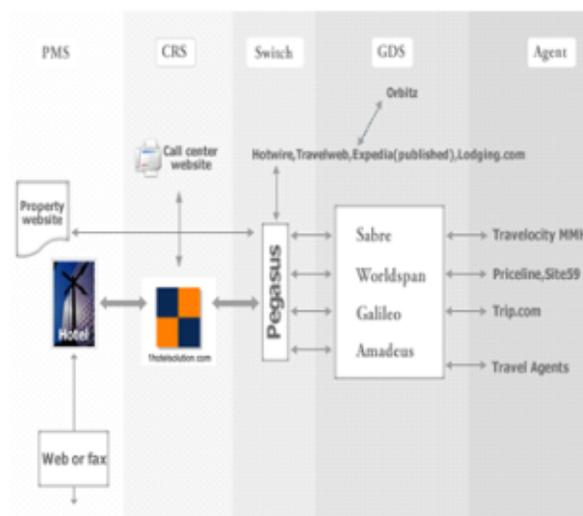


FIG. 1 [SOURCE]: <http://www.1hotelsolution.com/?MPPage=3> 6th may 4:24 pm

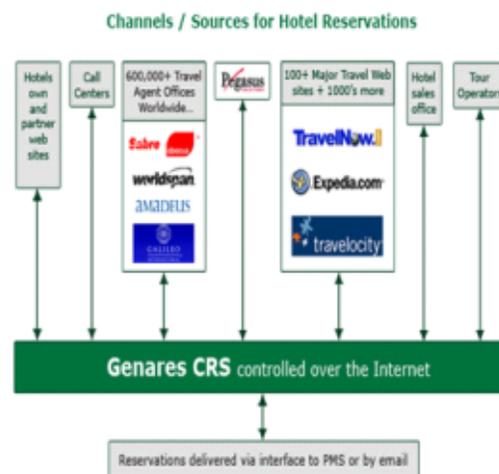


FIG. 2 [SOURCE]: trginternational.com accessed on 26th February, 2011 at 11:29 pm

For many years the GDSs had a dominant position in the travel industry. To bypass the GDS and avoid high GDS-fees, airlines have started to distribute flights directly from their websites.[4] Another possibility to bypass the GDS are direct connections to the Travel Agencies. American Airlines' direct connects are a prominent example of this development.[5]

October 2002 - The travel marketplace is a global arena where millions of buyers (travel agents and the public) and sellers (hotels, airlines, car rental companies, etc.) work together to exchange travel services. Among the “shelves” on which buyers search for travel services are world's global distribution systems and the Internet distribution systems. These systems have become electronic supermarkets linking buyers to sellers and allowing reservations to be made quickly and easily. Nowadays, more travel is sold over the Internet than any other consumer product. The Internet is a perfect medium for selling travel as it brings a vast network of suppliers and a widely dispersed customer pool together into a centralized market place. Nearly 37 million of America's more than 162-million active Internet users have already purchased travel online. Online travel bookings exceeded \$23 billion in 2001, and reached \$68 billion by 2005.

However, any discussion of the Internet as a distribution channel for travel needs to start with an understanding of the existing electronic distribution infrastructure, the Global Distribution System (GDS). The airline industry created the first GDS in the 1960s as a way to keep track of flight schedules, availability, and prices. Although accused of being “dinosaurs” due to their use of legacy system technology, the GDSs were actually among the first e-commerce companies in the world facilitating B-2-B electronic commerce as early as the mid 1970s, when SABRE (owned by American Airline) and Apollo (United) began installing their propriety internal reservations systems in travel agencies. Prior to this, travel agents spent an inordinate amount of time manually entering reservations. The airlines realized that by automating the reservation process for travel agents, they could make the

travel agents more productive and essentially turn into an extension of the airline's sales force. It is these original, legacy GDSs that today provide the backbone to the Internet travel distribution system.[6]

RESEARCH METHODOLOGY

The study is descriptive in nature, findings of which are based on primary data collected from various four star and five star hotels located in the city of Pune and Mumbai. The hotel administrator was contacted for obtaining such data personally and also telephonically. Some amount of secondary data has been used to formulate the basis for this study.

Sample size taken was 40 hotels of which only relevant 24 hotels have been considered for the study.

Data Collection Tool: Structured Close ended questionnaire

Data analysis has been done with the help of graphical representation using Microsoft Excel.

DATA ANALYSIS

The data tables and graphs are provided at the end under the Tables Head after References

FINDINGS

Around 40 hotels were contacted but since 16 did not fall in the true respondent category for actual relevant sample, the remaining 24 only are considered for the study.

- ✍ This reveals that only about 60% four star and five star hotels use the Global Distribution System.
- ✍ The findings so far have been obtained from about 24 hotels in Pune and Mumbai and the observations have been as mentioned below:
- ✍ The key service provider being Pegasus Solutions followed by OHR India.
- ✍ Majority of the hotels use GDS to increase their occupancy and the ARR, a substantial percent of hotels use it as a strategy to attract foreign tourist arrivals.
- ✍ A few hotels also confided that they are using GDS just to sustain their existence in the global market.
- ✍ 67% hotels received about 10% of their total bookings with the help of GDS, thereby enabling increased occupancy.

- ✍ 50% of the hotels revealed that they receive bookings which are at a rate of around 15% higher than their ARR.
- ✍ Another 29% revealed a higher rate of upto 10% more than their regular room rate.
- ✍ On an average hotels receive bookings via GDS of about 3-4 room nights per day.
- ✍ The study revealed that the portal through which maximum bookings are routed are Amadeus and Sabre followed by Worldspan and Galileo respectively.
- ✍ Record tracking and MIS generation is simple procedure with GDS is the opinion of most service providers.
- ✍ Some service providers find it to be a complicated process as compared to a direct hotel website reservation booking.
- ✍ Most GDS Service providers charge a percentage of the rate at which the room is booked in addition to the set up cost.
- ✍ The GDS portals have been found to be user friendly by hotel staff and the customers.
- ✍ It was observed that in the last three years, hotels have found the GDS to be a boon to their yield generation.
- ✍ In order to achieve maximum visibility whilst competing against so many hotels on the GDS, hotels mostly offer rate advantage or then make use of the brand name that has created the goodwill in the market. A few hotels avoid using the closed to arrival strategy (CTA) even during peak business periods.

CONCLUSION

Global Distribution System proves to be a pivot for the marketer in playing a balancing act when it comes to revenue generation; quantitatively in terms of occupancy and the average room rates. The Global Distribution System is a tool that helps corporations to strategize distribution so as to manage the challenges in the global economy.

It acts as a catalyst to source new business in turbulent times so as to sustain the business operation; and also aids in generating higher outputs in terms of occupancy and ARR. The yield thereby increases to an extent which is visible to both the customer and the service provider. This paper is basically a hoteliers perspective to strategic marketing using the Global Distribution System. It has showcased the opportunities that exist if one wishes to opt

for implementing such system and also revealed that this system is not a stand-alone system; it has to be in correlation with various support systems that will enable a hotel to maximise revenues and also create a mark or a place for itself on the global platform.

Another dimension which hoteliers perceive the Global Distribution System is that of using sustainable practices. As against a sales person visiting from company to company which entails utilisation of resources such as time, energy(fuel) and efforts, GDS is a platform that is more technology based and provides a wider scope i.e. greater market potential with minimal use of resources. It also provides the customers / guest the convenience of comparing more options in the least possible time on a single platform. Information Technology has paved a way for more sustainable and profitable practices for the hospitality sector too.

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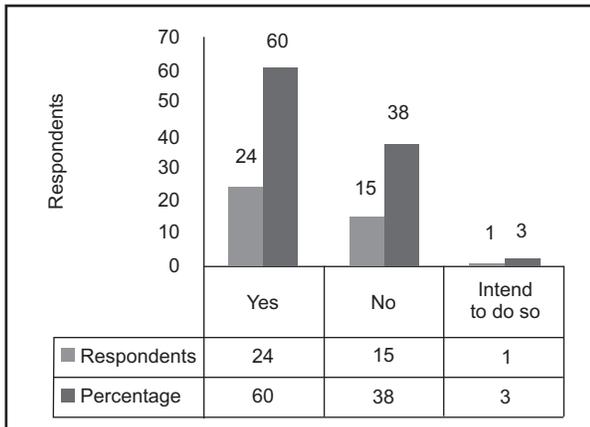
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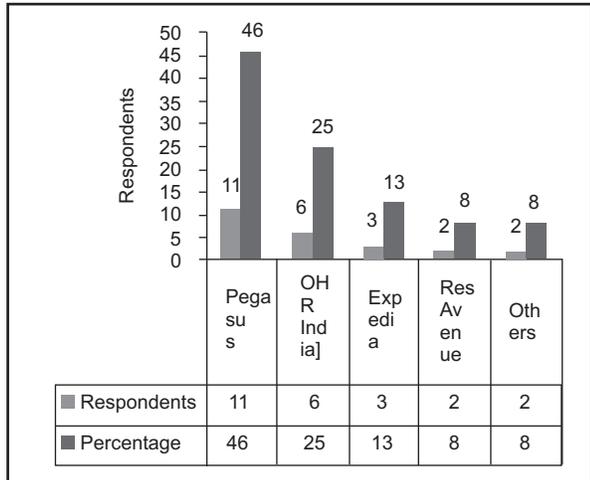
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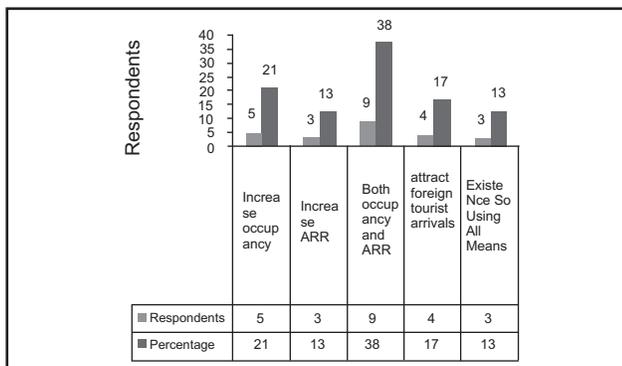
USE OF GDS



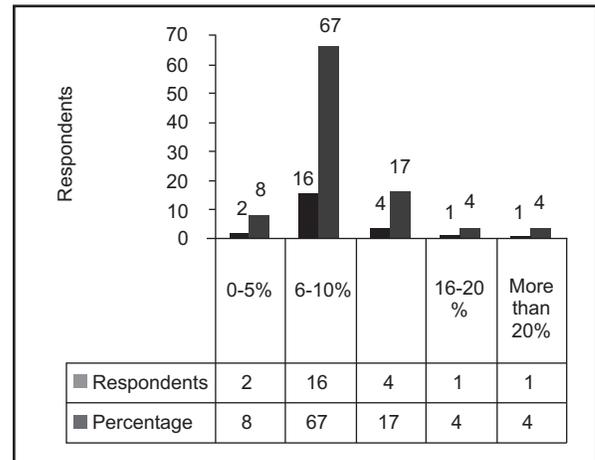
SERVICE PROVIDER USED



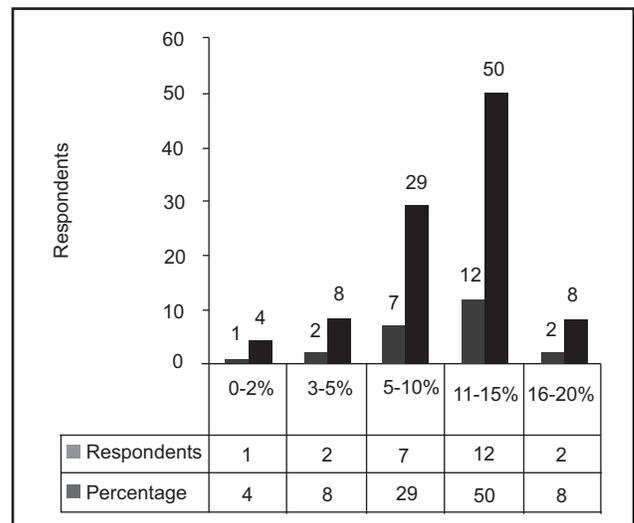
REASON FOR USING GDS



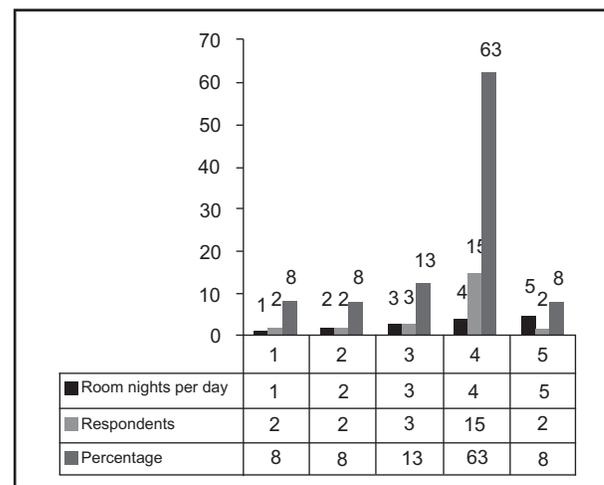
BUSINESS RECEIVED VIA GDS



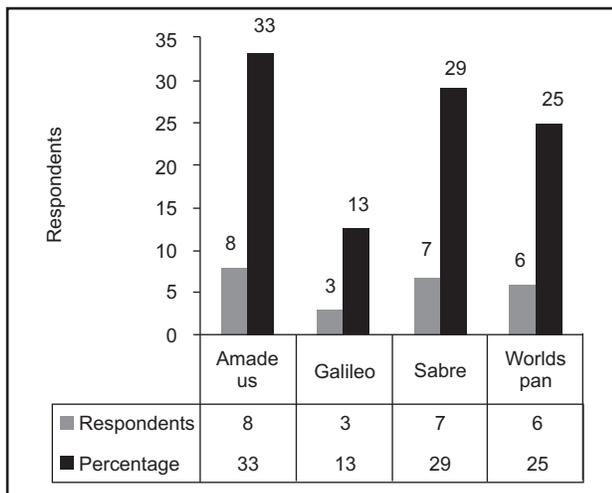
ROOM RATE HIGHER THAN ARR



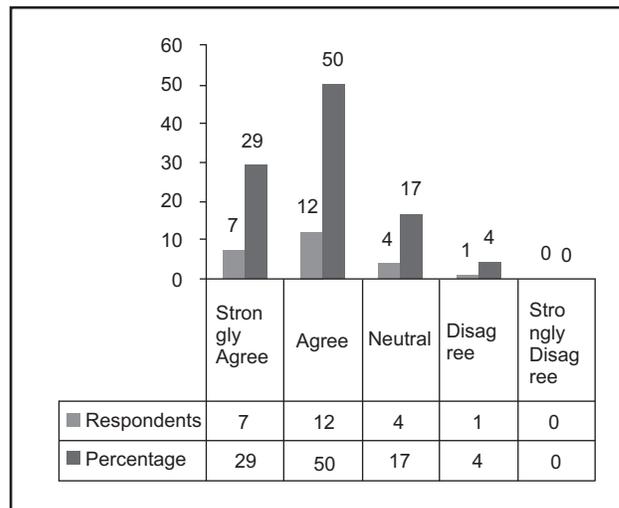
AVERAGE GDS ROOM NIGHTS PER DAY



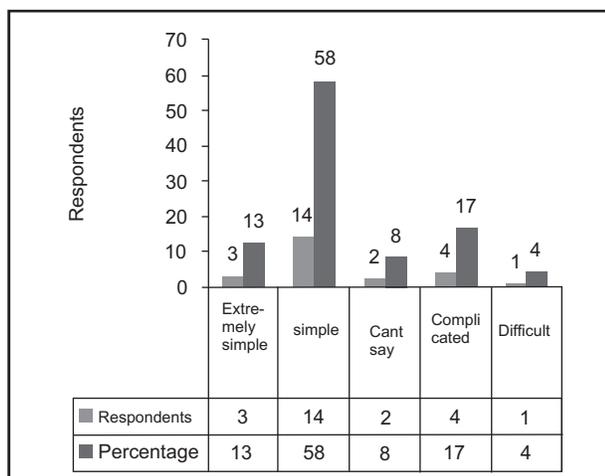
PORTAL GENERATING MAXIMUM BOOKINGS



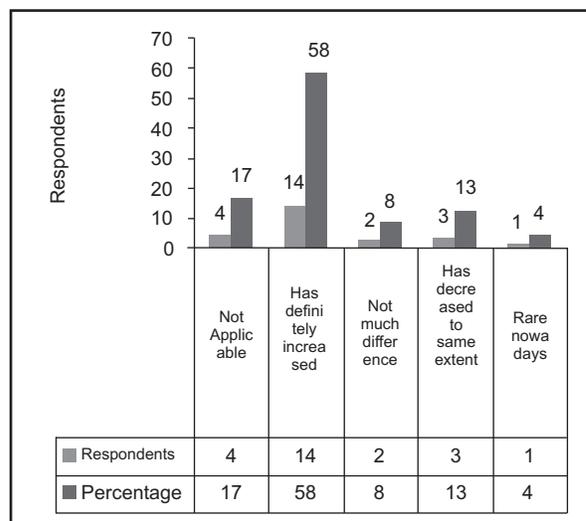
PORTAL USER FRIENDLINESS



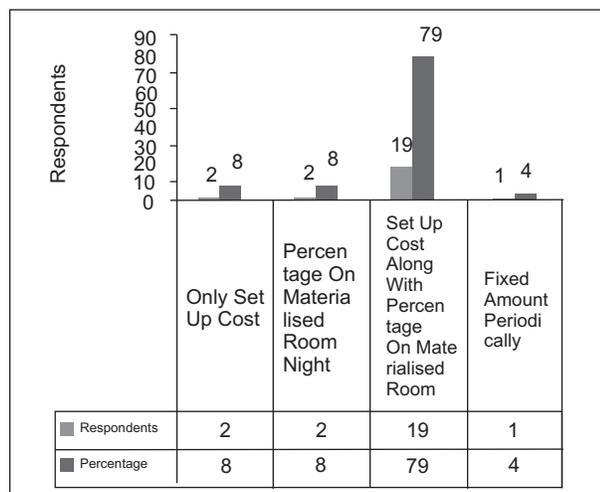
RECORD KEEPING WITH GDS



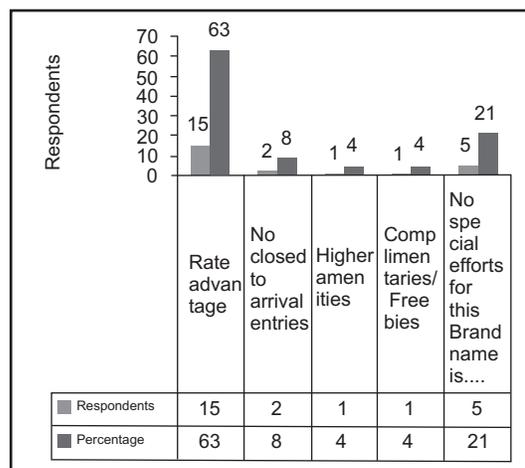
THREE YEAR TREND OF GDS



GDS COST TO THE HOTEL



VISIBILITY STRATEGY



Annexure QUESTIONNAIRE

1. Do you use online reservation systems
 - Yes
 - No
 - Intend to do so
2. Who is your GDS Service Provider?
 - Pegasus solutions
 - OHR India
 - Expedia
 - ResAvenue
 - Others
3. What made you to opt for online reservation system rather what is the reason for using GDS?
 - Need to increase occupancy
 - Need to increase ARR
 - Need for both occupancy and ARR
 - Need to attract foreign tourist arrivals
 - Need for existence so using all means
4. What percent of business do you receive from GDS monthly as against your regular bookings?
 - 0–5%
 - 6–10%
 - 11–15%
 - 15–20%
 - More than 20%
5. Does it fetch you a rate higher than your ARR, at what percent?
 - 0–2%
 - 3–5%
 - 5–10%
 - 11–15%
 - 16–20%
6. What is average number of bookings [room nights] received through GDS per day
 - 1
 - 2
 - 3
 - 4
 - 5
7. While using GDS which portal generates maximum bookings for your hotel?
 - Amadeus
 - Galileo
 - Sabre
 - Worldspan
8. How is it to generate reports or track record of bookings, payments and other details using GDS?
 - Extremely simple
 - Simple
 - Can't say
 - Complicated
 - Difficult
9. What are the charges you have to pay to avail GDS facility?
 - Only set up cost
 - Percentage on materialized room night revenue
 - Set up cost + percent of materialized room night revenue
 - Fixed cost periodically
10. Are these portals user friendly
 - Strongly agree
 - Agree
 - Neutral
 - Disagree
 - Strongly disagree
11. How has the trend of bookings been in the last three years?
 - Not applicable (three year not complete using GDS)
 - Definitely increased
 - Not much difference
 - Decreased to some extent
 - Rare nowadays
12. While a guest is trying to trace various stay options, how does the hotel ensure maximum visibility for its property vis-a-vis the other competitor hotels?
 - Rate advantage
 - No closed to arrival entries
 - By providing more amenities
 - Luring by means of some complimentary's or freebies
 - Brand name does it all so no special efforts.

STUDY ON THE LEVEL OF EMOTIONAL INTELLIGENCE OF EXECUTIVES IN DUBAI PORT WORLD, WITH THE SPECIAL REFERENCE TO MUMBAI TERMINAL

Ansumalini Panda

"People in good moods are better at inductive reasoning and creative problem solving."

Salovey, Mayer and Goldman,

ABSTRACT

Researchers and behavioral scientists have long been interested in managerial and emotional competency – "People skills". The outcome of the study would form the basis for designing and developing exclusive programme on 'emotional intelligence (EI) and to further make the employees aware of the concept and provide an experience which would enhance the awareness of EI and related competencies. Under this backdrop a study of this kind is envisaged.

KEY WORDS: Emotional Intelligence, Empathy, Self awareness, Motivation.

INTRODUCTION:

Emotional Intelligence refers to the capacity for recognizing our own feelings and those of others, for motivating ourselves and for managing emotions well in ourselves and in our relationships. It describes abilities distinct from, but complementary to academic intelligence, the purely cognitive capacities measured by Intelligent Quotient. Many people who are book smart but lack emotional intelligence, end up working for people who have lower IQ but higher emotional intelligence skills.

Emotional Intelligence is the term for the key people skills, such as self awareness, self-regulation, motivation and empathy, which are most powerful and reliable predictor of success in the workplace. Persons who are aware of their own emotions and the emotions of others, and adjust their behavior based on that knowledge are 'emotionally intelligent'.

THE VARIOUS COMPONENTS OF EI ARE DEFINED BELOW:

Self-awareness: Self-awareness is the capacity for introspection and the ability to recognize oneself as an individual separate from the environment and other individuals. It is about knowing one's internal states, preferences resources and intuitions. It involves understanding of one's own knowledge, attitude and views. Self-awareness develops systematically from birth through the life span and it is a major factor for the

development of general inferential processes (Demetriou.A. and Kazi.S, 2001). The key attributes of self awareness are:

- ✍ Emotional awareness: Recognizing one's emotions and their effects
- ✍ Accurate self-assessment: knowing one's strengths and limits
- ✍ Self-Confidence: A strong sense of one's self – worth and capabilities

Self-Regulation: This involves being able to handle our emotions so that they facilitate rather than interfere with the tasks at hand and includes being conscientious and delaying gratifications to pursue goals and recovering well from emotional distress. It is managing one's internal states, impulses and resources.

- ✍ Key attribute for this are
- ✍ Self Control: Keeping disruptive emotions and impulses in check
- ✍ Trust worthiness: Maintaining standards of honesty and integrity
- ✍ Conscientiousness: Taking responsibility for personal performance
- ✍ Adaptability: Flexibility in handling change
- ✍ Innovation: Being comfortable with novel ideas, approaches and new information.

Motivation: It is a psychological cause and facilitator of an action. It guides us toward our goals, helps us to take initiatives and strive to improve in the face of failures and

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frustrations. There are emotional tendencies that guide or facilitate reaching goals. The key attributes are

- ✍ Achievement drive : Striving to improve or meet a standard of excellence
- ✍ Commitment: Aligning with the goals of the groups or organizations
- ✍ Initiative: Readiness to act on opportunities
- ✍ Optimism: Persistence in pursuing goals despite obstacles and setbacks.

Empathy: It is an ability to realize the emotions experienced by another person. Sensing what people are feeling, being able to take their perspective and cultivating rapport and attunement with a broad diversity of people, form the conceptual framework of empathy. It is awareness of others feeling, needs and concerns. The attribute required are:

- ✍ Understanding others: Sensing others feeling and perspectives and taking an active interests in their concerns.
- ✍ Developing others: Sensing others development needs and bolstering their abilities.
- ✍ Service Orientation: Anticipating, recognizing and meeting customers needs.
- ✍ Leveraging diversity: Cultivating opportunities through different kinds of people.
- ✍ Political awareness: Reading a groups emotional currents and power relationship.

Social Skill: Social skill is about how to react to others and treat them. For example, handling emotions in relationships well, understanding social situations and networks, facilitating smooth interactions, styles of leading and persuade others, negotiate and settle disputes are a few reflections of social skills. It is adeptness at inducing desirable responses in others. This includes:

- ✍ Influence: Wielding effective tactic for persuasion.
- ✍ Communication: Listening well and sending convincing messages.
- ✍ Conflict Management : Negotiating and resolving conflicts.
- ✍ Leadership: Inspiring and guiding individuals and groups.
- ✍ Change catalyst: Initiating or managing change.
- ✍ Building bonds: Nurturing instrumental relationships.

✍ Collaboration and cooperation: Working with others towards share goals.

✍ Team abilities: Creating group synergy in pursuing collective goal.

Background

Intelligence Quotient which has been the deciding factor in measuring performance or talent of individuals. But it has now been invariably felt in organizations that it is not IQ but EI which drives individual productivity and quality. The ability to get along with, to develop trusting relations to communicate effectively with others comprises a set of skills that are deemed central to the task of management.

Dubai Port (DP) World is a leader in international marine terminal operations and development, logistics and related services. It has reputation for efficiency and expertise driven by their leadership in innovation. DP World has a portfolio of more than 65 marine terminals across six continents, including new developments underway in India, Africa, Europe, South America and the Middle East.

Container handling is the company's core business and generates around 80% of its revenue. In 2012, DP World handled more than 56 million TEU (twenty-foot equivalent container units). With its committed pipeline of developments and expansions, capacity is expected to rise to more than 100 million TEU by 2020, in line with market demand. DP World was formed in September 2005 with the integration of the terminal operations of the Dubai Ports Authority (DPA), which was focused on the UAE ports of Rashid and Jebel Ali, and DPI (Dubai Ports International). DPI's successful operations at the ports of Jeddah Islamic Port (in 1999), Djibouti (2000), Vizag, India (2002) and Constanta, Romania (2003) are the hallmark achievements.

DP World has a dedicated, experienced and professional team of 28,000 people serving its customers around the world, and the company constantly invests in terminal infrastructure, facilities and people to provide quality services today and tomorrow, when and where customers need them.

It has a versatile talent pool with diverse backgrounds.

Therefore cultural integration is the paramount challenge to the organizations. Emotional intelligence being nucleus to employee culture, productivity and performance, it is felt relevant to conduct a study to find out the current perspectives and trend among the employees located at Mumbai Terminals.

OBJECTIVES:

The following are objectives of the study.

1. To find out the overall level of emotional intelligence among executives.
2. To identify the emotional intelligence variables in Dubai Port World, Mumbai (People Skills).
3. To measure the influence of competencies covered under emotional intelligence and suggest ways and means to improve the same among executives in the cross sections of different departments in Dubai Port World.
4. Suggest measures to increase the awareness of emotional Intelligence and its importance in the work place.
5. Suggest some remedial measures for improving the emotional Intelligence.

HYPOTHESIS:

In the light of above objective and literature review, the researcher can try to find out the effect of independent variable in dependent variables and following hypothesis help to do so :-

1. There is a significant relationship in between leadership behavior and emotional Intelligence.
2. Educational level of employee has a positive effect on the level of emotional intelligence which leads to better organizational performance.
3. Performance level of employee highly depends upon state of emotional intelligence.
4. There is a statistically significant relationship between leaders' social skills and leadership behavior.
5. Empathetically employees are highly performance oriented.

RESEARCH METHODOLOGY:

- ✍ The data was collected through structured questionnaire circulated among different department in Dubai Port World, Mumbai
- ✍ Qualitative inputs were collected through interview, to identify the EI variables and people skills among executives
- ✍ The secondary source of information includes internet site, DP World manuals and previous studies on the subject.

a. Sampling:

- ✍ The sampling technique was random sampling through out the organization in different departments.
- ✍ The total sample size was around 30 covering different departments.

b. Data collection:

The data collected for the current study was by the means of structured questionnaire framed on various parameters of Emotional Intelligence adopted by the researcher.

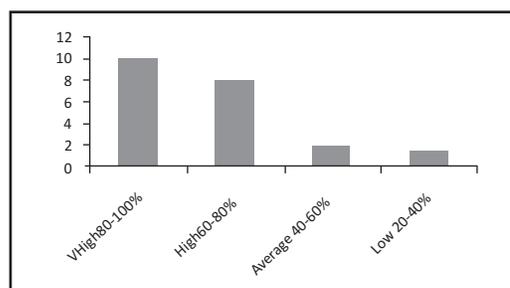
The primary data was collected from executives at different departments through structured questionnaire. The respondents are selected as specified table no 1 on the basis of convenient sampling.

Table No.1

Sr No.	Department	No of Executives	Total
1	Operation	12	
2	Marketing	2	30
3	IT	6	
4	Human Resource	7	
5	Finance	3	

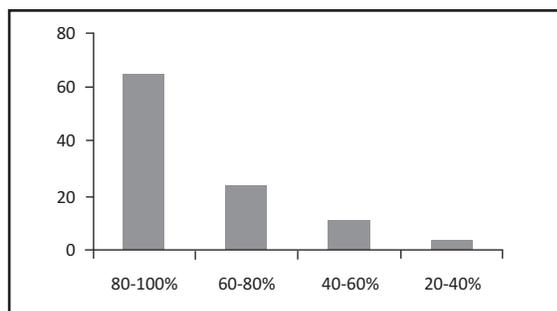
c. Analysis and Interpretation of Present Study

1. Self-Awareness



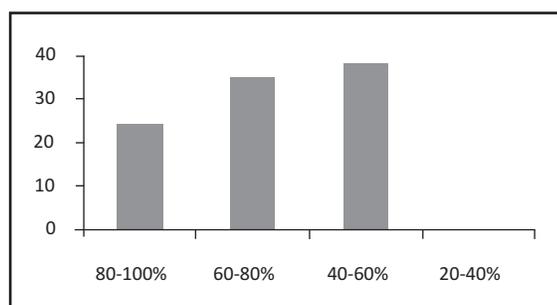
70% of the executives scored between 80-100 % in self-awareness. This indicates that these executives have ability to know and calibrate their internal state. They also know which emotions they are feeling and why. 24% executives scored between 60-80%.This shows that these executives have good all around self-awareness and are fairly aware of their capabilities and to some extent, their limitations. They rely more on objectivity rather than trusting their own gut instinct. These sometimes get a feeling that they could do better, but are not always sure how this could be done. 8% of the employees are in the range of 40-60%. That means they have low inclination to devote to listening to their instinct and prefer to go ahead and do it any way.

2. Relationship



It was seen that 65% of the executive have score for relationship between 80-100%.This indicates that these executives are excellent in relationship building .They have smooth interaction with their peers, subordinates and controlling officers. They are high on listening and make a good impact on others through inter personal behavior. While 24% of respondents come in the range 60-80%. 11% in the range of 40-60%. 4% in 20-40%.It shows that they do not have warm relationship with others or we can say it is less comparing to the first category.

3.Emotional Management

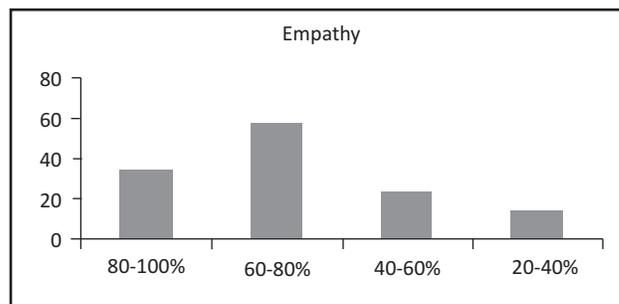


24% of the executives have a score between 80-100%.This shows that they possess flexible and adaptive approach toward their mood. These people are decisive, persuasive and achievement oriented.

35% of the employees fall in the category of 60-80%.These people are able to manage their emotions but seldom let their emotions get in their way. These people often reflect their mood at work place.

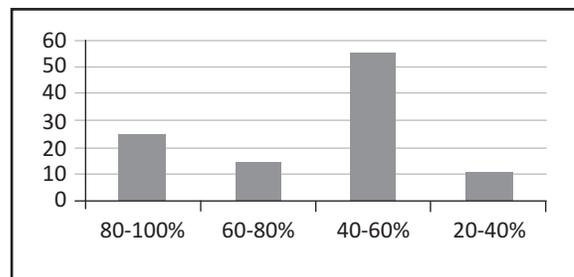
38% of the executives show that they fall in the range of 40-60%.This shows that they are unconvincing and low achievement oriented.

4. Empathy



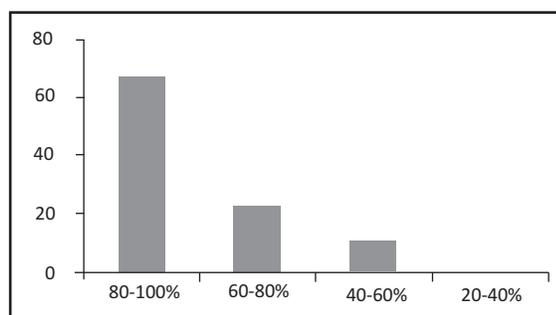
45% of the employees are in the range 80-100%.These employees can easily sense what others are feeling. They have high listening, sensitivity and have good impacts on others. 55% fall in the range of 60-80%. This shows that they are aware of their feelings and those of others but seldom allow their limitation come into their way. These executives rate positive social trait as important. 22 % fall in the range of 40-60%. This shows they need to give time in developing skills to understand other feelings and to widen the art of social effectiveness.

5. Self-Motivation



22% of the executives fall in the range of 80-100%. This shows that these are the executives who do not use impulse in perusing their goals. They are decisive, persuasive; they use anxiety, which help them to perform well. 18% of the executives come in the range of 60-80%. They are aware of their self- motivation but it is their limitations which stops them from performing well. They maintain optimism, enjoy work with concentration. 48% employees are those who fall in the range of 40-60%. The employees are use anxiety and instinct in equal ratio.

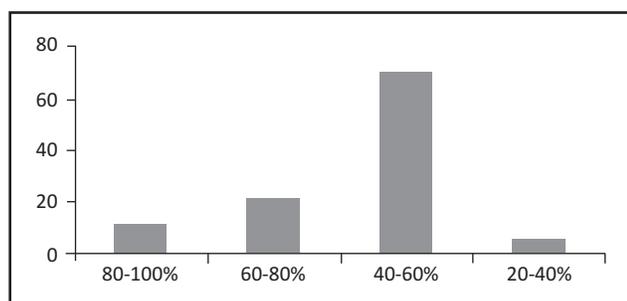
6. Communication



67% fall in the category of 80-100%scale. They have a significant ability to reflect their emotions and can articulate the unstated feelings. They are good negotiators. They have an ability to motivate and persuade others. These executives have the ability to adopt a calm, composed and patient attitude.

22% of the executives fall in the range of 60-80%. They are average in handling conflict issues and can negotiate sensitively. They have ability to read the feeling of the opposition during negotiations.

7. Personal Style



18% have their score between 80-100%. These are the people who take a lead in organization. These are the

leaders who have the ability to pursue and motivate others. More over they are high in sharing recourses.

25% of the executives fall in the range of 60-80%.They are people who follow the leaders they have good listening skills and are sensitive's to others' feeling. The leader stimulates these executives to perform well.

5% of the executive's falls in the 40-60% in personal style. These executives have a fear of being led wrong and have a tendency to withhold information. These executives see everything in suspicion.

FINDINGS AND CONCLUSION

1. Emotional Intelligence refers to the capacity for recognizing our own feelings and those of others, for motivating ourselves and for managing emotions well in ourselves and in our relationships.
2. There is a direct correlation between the EI and performance of employees.
3. Emotionally intelligent organization can be made through organizational strategies.
4. Age has an impact on EI, because most of the employees being in the age group of 23 -35, are having low scores on emotional intelligence.
5. Individuals who are having high EI have the following characteristics:
 - ✍ They understand diverse world views and are sensitive to group differences.
 - ✍ They are attentive to emotional cues and listen well.
 - ✍ They are achievers and more performance oriented.
 - ✍ They are clear on objectives and the ways to attain those.

RECOMMENDATIONS

1. The study reveals that overall emotional Intelligence level of executives in all the departments is moderate and needs improvements. It is suggested that an immediate attention is paid to make the executives aware of their emotional level at an individual, group and organizational level. Further studies at a micro level are to be initiated to find a clear picture.
2. An organization's collective level of emotional

intelligence determines the degree to which its intellectual capital is realized and overall performance is maintained. The art of maximizing intellectual capital lies in orchestrating the interactions of the people whose minds hold the required knowledge and expertise. Therefore it would be worthwhile to create a post of Chief Learning Officer at a reasonably senior level in DP World who would monitor, facilitate, and coordinate the capacity building processes including emotional intelligence to ensure intellectual capital growth.

3. The study suggests there should be training programmes periodically to build up the competencies covering all aspects of emotional intelligence.
4. The HR planning and career path should also encompass the issues raised out of challenge of leadership supply. The capabilities needed for the leaders in the coming years needs to be strengthened. It should be considered to cover the competencies such as change catalyst, adaptability, leveraging diversity and team capabilities etc.
5. With the growing relentless job pressure, and downsizing threat in organizations, it is expected that the stress level of executives especially in lower and middle level employees would be extraordinary high. Appropriate steps such as relaxing time, flexi time etc to be introduced in the organization, which would provide gains in the long run.

LIMITATION OF THE STUDY

As Company chosen is one the derivations are prone to suffer from universality of conclusions. Further the study is limited to specific industry and location. Thus findings cannot be generalized to all the branches of the company as the presence of respondent company spread across the globe. As the data is collected through response, there may be deviation in generalizing the opinions of different professionals posted in various facilities. The time for study was limited. The response of employees could be duplicated.

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A STUDY OF HIDDEN TALENT MANAGEMENT IN SAME STATUS EMPLOYEES WITH SPECIAL REFERENCE TO INDUSTRIES IN BHOSARI, PUNE

Rajesh Kumar Agrawal¹

Daniel J. Penkar²

ABSTRACT

The paper is an attempt to identify the hidden talents of employees and find out the obstacles to identify these talents, which is not known by the employer. It is observed that the talent of the employees is not fully utilized. After research it comes to know that for full utilization of talent of the employee, employer should find out the employees' hidden talent at the time of employee joins the organization and those employees who are working in the organization. The employer should make the database regarding employees working and what type of talents they are having. Management of the organization should frequently update this information as a part of their talent management activity. It helps to employer to identify people who have the talent they need regardless of current job or location and pay the compensation for the utilization of hidden talent of the employees.

KEY WORDS: - Hidden, Talent, Compensation, Organization

INTRODUCTION

The present study is an attempt to identify the hidden talents of employees and find out the obstacles to identify these talents.

As we know, various organizations are going for downsizing or VRS (Voluntary retirement scheme) /CRS (Compulsory retirement scheme) because of the recession. Today, these organizations are facing shortage of talented manpower; therefore, they can be benefited by making better use of the hidden talent of their employees. In today's economy, finding external talent to fulfill any organizational needs isn't always possible. Nor

is it always necessary. By paying attention and asking the right questions, it will likely to discover many hidden talents among your existing employees.

SIGNIFICANCE OF THE STUDY

This study is mainly concerned with the hidden area of the Johari window model. This third window concerned with those persons who are aware about their talents, they know about their capabilities but unknown by others. This is the main study area of the present research topic. It is

important to know or identify the hidden talent of the employees which is not known by the employer or management and examine the employers' interest about the hidden talent of their employees.

The present study is significant to understand the nature of these obstacles and know the measures for removing the obstacles in finding out the hidden talent of the employees and it is also important to study the utilization of hidden talent and its relationship with satisfaction of employees.

The utility of the study could be appreciated with reference to the point such as; the study could be useful addition to the literature on the topic, which is particularly scarce in the Indian Context. The information and analysis presented on related topic too are likely to be useful, especially the industrial profile of the Bhosari, Pune region and also likely to be useful for value added knowledge to the mass community.

OBJECTIVES OF THE STUDY

- 1). To study and identify the hidden talent of the employees.
- 2). To know what are the obstacles in finding out the hidden talent of the employees.

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- 3). To know how these obstacles can be removed in finding out the hidden talent of the employees.
- 4). To study the utilization of hidden talent and its relationship with satisfaction of employees.

HYPOTHESIS

Utilization of hidden talent leads to satisfaction of employees.

RESEARCH PROBLEM

In the past, when the productivity of machines and physical labour had the most significant impact on organizational performance, explicit attention to issues related to the hidden talent and talent management was lacking up to the middle of this century, talent of employees was an ornament rather than something that required significant managerial attention. Since in the most traditional industries, productivity improvements based on machines and physical labours have almost been saturated. Find out the hidden talent of the employees is the key to differentiating successful organizations from unsuccessful ones.

VI- Scope and Limitation of the study

The present study covers the study of hidden talent of employees in various organizations and the study the views of employers regarding hidden talent management, and the scope of the present study is limited to understand the nature of obstacles in finding out the hidden talent of the employees.

The geographical scope of the study is limited to the Bhosari industrial area of the Pune region..

SOURCES OF DATA

For the purpose of the study, Survey method was used for collection of Primary data with the help of a questionnaire. The questionnaire was administered to the individual of the selected sample and their responses about themselves have been recorded. The secondary information, literature on the subject is scanty and in the form of articles, or

research papers. Unfortunately, researcher did not come across sufficient literature from the third world countries.

SAMPLE DESIGN

The study includes a sample of 18 industries spread over of the Bhosari area. 10 respondents were selected from each selected industries by using the convenience sampling method. Total 180 workers or assistants were selected as a respondent (i.e 10 workers x18 organizations = 180 workers)

DETAILS OF QUESTIONNAIRE

The questionnaire consists of 47 questions with multiple choice answers and open ended questions based on the different criteria such as educational qualification, technical knowledge, achievement, satisfaction of a job, talent, work attitudes, hidden talent, creativity, assertiveness, decisiveness, interpersonal skill, maturity etc.

REVIEW OF LITERATURE

Kelley (2004) stated that, company meetings can also unearth hidden talents. Begin a discussion where employees can offer solutions to problems, you might be surprised what people know. It is an opportunity for employees to unleash their talents. **Tucker (2004)** stated that, what you do now will put your company ahead as talent wars heat up again, because the best firms will be consisted about identifying talent and putting it in the right place ? "This is not a quick fix" **Steven De Maio (2009)** stated that, treating each employee as an ocean of talent allow you to find troves of precious gems. **Dr. Ellen Weber (2010)** that, the actual ideas of genuine talent and related passion and excitement often do not show up on the radar screen in discussions. It takes relationships, discernment, and deep conversation to get at the heart of a person's real talent and how best to use them organizationally. **Schroeder (2010)** stated that, every company has hidden gems of talents and untapped skills. Talent mining encourages employees to keep their talent's profile up to date and helps organizations to identify people who have

the skills they need regardless of current job or location.

To review briefly the related literature only to substantiate the views of various experts of talent management in an organization. The researcher does not claim to review all the related literature in the context of the topic selected for the study. It is just an attempt to take a glance at some important works done in the context of "Talent management".

DATA ANALYSIS

The target sample size was 180, but due to an unbiased error in sample, researcher received a number of responses (sample size) 160. The researcher used the sample size of 160 for further analysis with the help of tables, bar charts, pie-charts and Chi-Square test with the help of software XLSTAT.

TESTING OF HYPOTHESIS

1. It was proved statistically by using the Chi-Square Test that utilization of hidden talent leads to satisfaction of employees.

The test the first hypothesis researcher used two stages. In these two stages researcher proved statistically that, there is a significant relationship between hidden talent and rate of satisfaction level of organization and significant relationship between hidden talent and feelings of the respondent when hidden talent is utilized at work. Hence, utilization of hidden talent leads to satisfaction of employees proved statistically.

In both the stages, the computed p-value is lower than the significance level $\alpha=0.05$, there is a strong evidence to reject the null hypothesis, and accept the alternative hypothesis.

MAJOR FINDINGS

1. Out of 160 respondents there are (112) 70 % male respondents which are in the majority and (48) 30 % women respondents which are few in numbers as compared with male respondents.
2. It has found that (40) 25% respondents have the

hidden talent of sports, (32) 20 % respondents have hidden talent of creativity, (16) 10 % respondents have the hidden talent of doing the sales and marketing, (14) 8.75% respondents have the hidden talent of entrepreneurship, (12) 7.5% respondents have the hidden talent of information technology, (22) 13.75 % respondents have hidden talent of writing skills and (24)15% respondents have other hidden talents like teaching, driving teaching, carpentry work, advertising and electrical wiring. It means that every person has a hidden talent and inner potentials within him or her.

3. It is found that (54)33.75 % respondents stated that they enjoy the multitasking work, (18)11.25% respondents stated they enjoy the task of imparting training to others,(16)10 % respondents stated they enjoy the task of creativity, (12) 7.50 % respondents enjoy the task of challenging work, (12) 7.50 % enjoy the task of Interaction,(16) 10% respondents stated that they enjoy the task of troubleshooting , (8) 5.00 % respondents enjoy the task of documentation and other enjoy the task of challenging, social work, learning new things.
4. It is found that (96) 60 % respondent stated that their dream is for Career Growth, (44) 27.50 % respondents stated that they want to become entrepreneurs, (18)11.25% respondents stated other dreams like become a trainer, skill welder, singer and (2)1.25% respondents want to become a teacher.
5. The majority of employees are versatile in their work and they have a confidence regarding their skill/Talents.
6. It is found that (86) 53.75 % respondents stated that they play cricket, (14) 8.75% respondents stated that they play football, (10) 6.25% respondents stated that they play volleyball, (8) 5% respondents stated they play badminton and (24) 15% respondents stated that they are playing another game like play Kabbadi, Kho-kho, Chess, table tennis and play basketball.
7. It is found that (96) 60 % respondents stated that they have not played the district or state or national or

international level, (43) 26.87 % respondents stated that they have played at district level, (16) 10% respondents stated that they have played at state level, (4) 2.50% respondents stated they have played at national level and (1) 0.63% respondents stated that they have played at international level. It means that very few of them have played at district, state or national/international level sports events.

8. It is found that (40) 25 % respondents stated that their hobby is reading, (26) 16.25 % respondents stated that they have the hobby of listening or singing song, (22) 13.75% respondents stated that they have the hobby of sports, (18) 11.25% respondents stated that they have hobby of travelling, (8) 5.00% respondents stated that they have hobby of driving , (14) 8.75% respondents stated that they have hobby of teaching and (32) 20% respondents stated they have the hobby of other like making friends, swimming , morning walk and Martial arts.
9. It is found that (140) 87.5 % respondents stated that they have computer skills and (20)12.5 % respondents stated that they do not have computer skills. It comes to know that majority of respondents are having computer skills.
10. It is found that (22)13.75 % respondents stated that their employer asked about their hidden talent and (138) 86.25 % respondents stated that their employer did not ask them about their hidden talent. It comes to know that the majority of employers have not asked about a hidden talent of the employees.
11. It is found that (58) 36.25 % respondents stated that they like to tell about his hidden talent to employer and (102) 63.75 % respondents stated that they do not like to tell about their hidden talent to their employer. They stated that, if they tell about their hidden talent to the employer they will take more work from them and they will not pay compensation for the extra work.
12. It is found that (66) 41.25 % respondents stated that they like to tell about their talent to others and (94) 58.75 % respondents stated that they don't like to tell

about their hidden talent to others.

13. It is found that (128) 80 % respondents stated that they will tell to the employer if the employer is ready to pay the compensation for the utilization of the hidden talents and (32) 20 % respondents stated that they are not ready to tell the employer though they are compensating by their employer.
14. It is found that (118) 73.75 % respondents stated that their hidden talent is not utilized in the organization, (20) 12.50% respondents are regarding this "Uncertain" and (22)13.75% respondents stated that their hidden talent are utilized in the organization. It shows that very few employers are interested in the hidden talent of the employees.
15. It is found that (70) 43.75 % respondents are "dissatisfy" with the organization and (12) 7.50 % respondents are "strongly dissatisfy" with the organization. Total 51.25 % respondents are "dissatisfied with the organization. (17)10.62% respondents are "Uncertain" about their satisfaction level. Many employees are not satisfied with their organization because their hidden talent is not utilized.
16. It is found that (100) 62.5 % respondents stated that if their hidden talents are utilized in the organization they will be more motivated, (30) 18.75% respondents stated that they will be more empowered and (18) 11.25% stated that they will be ready to stay in the same company for more period and remaining respondents stated they don't know.
17. It is found that (124) 77.5 % respondents stated that they require training to enhance their hidden talents and (36)22.5% respondents stated that they don't require training.
18. It is found that (110) 68.75 % respondents stated that if the hidden talents are utilized in the organization it will increase their efficiency, (32) 20% respondents stated that if the hidden talents are utilized in the organization it will not increase their efficiency and (18) 11.25% respondents stated "Don't Know". It

means, the majority of employees are of the opinion that if the hidden talents are utilized in the organization it will increase their efficiency.

19. It is found that (98) 61.25 % respondents stated that if their hidden talents are utilized in the organization it will increase the efficiency of the organization, (34) 21.25% respondents stated that if hidden talents are utilized in the organization it will not increase the efficiency of the organization and (28) 17.50% respondents stated "Don't know". It means, the majority of employees are of the opinion that if the hidden talents are utilized in the organization it will increase the efficiency of the organization.
20. It is found that (104) 65% respondents stated that they have some special expertise and knowledge like technical, material, communication, account, computer, sales and marketing, design, sang rectification, painting, counselling, cost reduction . (40) 25 % respondents stated that they "Can't say" and (16) 10 % respondents stated that, "No" they don't have any special expertise and knowledge.
21. Employee's knowledge will be definitely useful for the overall development of the organization; the only thing is that, there should be interest of employers in finding out or enhancing the hidden talent of their employees.
22. In brief there are majority of employees who are concerned with the various departments in their organization having variety of talent, which can be useful for their personal development and also organization development.

CONCLUSIONS

- 1). It is concluded that, every employee has hidden talents which may or may not be utilized by the management of the organization.
- 2). Most of the employers have not shown any interest in enhancing the hidden talent of their employees. They do not know about the hidden talents of their employees. They also do not have any awareness

regarding the benefits of utilizing these hidden talents for the development and growth of organizations.

- 3). Employees talent in sports can be utilized for sport competitions on behalf of the organization, which may increase the branding of the organization.
- 4). Many employees have opined that, if their employer came to know about their hidden talents, the employer may take more work from them and will not pay for the extra work. This is the major obstacle in finding out the hidden talents of employees to maximize the potentials of an individual and its utilization for the organization.
- 5). On the contrary some employees are in favour to expose their hidden talent if the employer is ready to pay more for utilizing their hidden talents. Very few employees have not ready to expose their hidden talent though their employer is ready to pay more money.
- 6). Organization may remove the obstacles in finding out the hidden talents of the employees by just imparting training to them, with a view to enhance the hidden talents of the employees. If the employers are in favour of utilizing hidden talents of their employees, they will feel more motivated; more empowered and will stay in the company for a longer period. It was statistically proved that, utilisation of hidden talents leads satisfaction of employees.
- 7). Utilization of hidden talents made employees more satisfied and it will create sense of belongingness towards organization. Employees will be motivated to give more productivity. There may be fewer chances to leave the organisation, and rate of attrition will automatically come down.
- 8). If employers are utilizing hidden talents of employees there may be the chances of a reduction in the cost of production. The hidden talents of the employees may be useful in the emergency, events like strike, industrial grievance or conflicts etc and also hidden talents of employees can be useful to the organisation where manpower is less.

- 9). Researcher has also concluded that, many employees are having some special hidden talent such as computer skills, counselling, negotiation skills, innovative skills, etc. and also having an entrepreneurial talent, assertiveness, decisiveness (i.e. ability to accurately assess risk and take decision) and problem solvers.
- 10). In today's globalization era, apart from consumer marketing skills, the key success factors are two talent intensive activities. a) The ability to evaluate risk and, b) the ability to find out new ways of sharing them with others. Today, when industrial organisation, business firms in India are subject to competition from the best companies in the world on their home turf, paying greater attention to hidden talent and its management is inescapable.

SUGGESTIONS

1. The employer should find out the employees' hidden talent at the time of employee joins the organization and those employees who are working in the organization. The employer should make the database regarding employees working and what type of talents they are having. Management of the organisation should frequently update this information as a part of their talent management activity. It helps to employer to identify people who have the talent they need regardless of current job or location. It helps to the employer at the time of emergency, when the particular employee is not available for the particular job. The update database will help in prevention of hampering of work.
2. Employers should have to make arrangement for payment of compensation for utilization of talent of the employees. There should be arrangement of training programmes to enhance the hidden talents of the employees.
3. The issue with many organisations today is that, their organisations put tremendous effort into attracting employees to their company, but spend little time into retaining and developing talent. A talent management system must be worked into the business strategy and implemented in daily processes throughout the organisation as a whole. It cannot be left solely to the HR department of the organisation to attract and retain employees, but rather must be practiced at all levels of the organisation.
4. The business strategy must include responsibilities for line managers to develop the skills of their immediate subordinates. Divisions within the company should be openly sharing information with other departments in order for employees to gain knowledge of the overall organisational objectives.
5. Organizations should focus on developing their talent integration plans and processes to track and manage their employee talent including-Sourcing, attracting, recruiting and on boarding qualified candidates with competitive backgrounds, managing and defining competitive salaries, training and development opportunities, performance management processes, retention programmes and promotion and transitioning etc.
6. The talent management strategy should be supported by technology such HRIS (HR information system) or HRMS (HR Management systems). Modern techniques should also be used. Competency based management methodologies to capture and utilise competencies appropriate to strategically drive an organisation's long term plans.
7. Talent of an employee can become more widely held if proper talent management systems or practices are in place. Since management can quite easily articulate this talent, management initiatives need to focus on making it easier for them to share and disseminate it. Some devices that encourage this are seminars, paper presentations, publication of internal reports and documents, and even external publications etc.
8. The talent review meeting is an important part of the overall talent management process, it should be designed to review the performance and career

potential of employees to discuss possible vacancy risks of current employees, to identify successors and top talent in the organisation and to create development action plans to prepare employees for future roles in the organisation.

This is what talent management is all about, gathering information about talent, analysing their career interest and organizational business needs, identify top talent and successes, and developing these individuals to reduce the risk of losing the best people and experiencing extensive leadership gaps when turnover occurs.

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“ROLE OF SELF HELP GROUPS (SHG'S) IN RURAL DEVELOPMENT WITH SPECIAL REFERENCE TO KHED, AMBEGAON AND JUNNAR TALUKAS OF PUNE DISTRICT.”

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INTRODUCTION:

India is a developing country. Agriculture is a major occupation in India. At present there are six lakh, twenty thousand villages in India. Nearly 90 percent people from villages are engaged in agricultural activities. They depend on agricultural income for their livelihood. Agricultural occupation in India is mainly dependent on the vagaries of monsoon, and does not assure any regular income. Nearly 72.22 percent of the total population in India lives in the rural areas and majority of rural population is below poverty line due to the limited sources of income.

In spite of increasing urbanization, villages in India still thrive in a large number. It is essential to develop the rural areas in order to achieve national development. Rural development is said to be a significant tool to measure the economic growth of the country. Mahatma Gandhi prophetically visualized "at the outset villages should be developed then only our country would be developed." Rural development implies the positive changes in economic, social, educational, technological and infrastructural services. In the post independence period, the Government of India has made various efforts to develop the rural areas by making huge provisions in the Five-Year Plans. It attempted rural development with the help of cooperative movements. Even though the government and other bodies have made efforts consistently, the expected rate of rural growth has not been achieved.

One of the main reason for backwardness of the rural areas is non-participation of women in productive work, in the development process of rural areas. Women in a large number are kept away from the process of rural development. Against this background, self help groups have been given priority in order to increase the involvement of women in the rural development. It is not possible to bring improvement in economic condition of the families in the rural areas without an empowerment of rural women. Such an empowerment of women will make an educational, economic and social progress of rural women inevitable.

To achieve this goal, a large number of self-help groups have been established in the rural areas and the number of self-help groups is increasing constantly. Self-help groups help the rural development. In order to increase the participation of women in the rural development, self-help groups are being established. As a result, a large number of women are getting involved in the activities of the self help groups in the rural areas, which has helped them to be self confident, self reliant and independent in economic, educational and social aspects. They earn money and can manage their expenses with the help of self help groups. Thus, rural women have become able to support their families and they are making valuable contribution to the development of rural areas.

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KEY CONCEPTS:

Self help groups: A self help group consists of 10 to 20 women. The women save some amount which they can afford. It is a very small amount ranging from Rs.10 to Rs. 200 per month.

Microfinance: Microfinance is banking, bringing credit, saving and other essential financial services within the reach of millions of people who are too poor to be served by regular banks, in most cases because they are unable to offer sufficient collateral. In general, banks are for people with money, not for people without.

Rural Development: The term “Rural Development” indicates the positive changes in economic, social, educational, technical and agricultural services in rural areas.

Rural Construction: Rural construction means utilization of various resources for rural development. Such resources include materials from mine, water, electricity, man power etc.

Rural Welfare: Rural welfare means improvement of fortune, health, happiness and prosperity in rural area.

Women Empowerment: Women empowerment gives more power or authority to women.

IMPORTANCE OF THE STUDY –

Agriculture is a major primary occupation in India. Therefore, it is essential to develop rural areas to ensure economic growth of the country. Even though the government has made several provisions and initiated different schemes for the rural development in five-year plans, satisfactory level of rural development has not been achieved yet. The reasons for backwardness of rural areas are non availability of Capital, lack of infrastructure, tendency of farmers to cultivate traditional crops instead of economical cash crops like sugarcane, fruits, spices etc. Also unemployment, poverty, illiteracy, non-participation of women in creative activities are the obstacles that have prevented the rural development. Therefore, to achieve development of the rural areas and to motivate the rural

women for active participation in various creative activities, the movement of self help group was begun.

In India, the movement of self help group was initiated fifteen years ago, and the projected outcome can be seen in the rural areas. The members of self help groups tend to make savings in larger quantities and get the sufficient amount of loans from the banks, which in turn, help to increase capital formation in rural areas. Banks in the rural areas issue loans for short and long term with a low rate of interest to the members of the groups that to ensure the credit supply in the rural areas. Remarkable increase in the income of rural women has helped to improve their standard of living and elevate the level of confidence. The women in rural areas have made a significant progress in education, social and economic fields, social and economic empowerment of the rural women has taken place. Thus, as a result of the overall development in the rural areas, the dominance of money lenders and landlords in the rural areas has nearly diminished.

In short the self help groups have encouraged the rural development and the contribution of self help groups starts significant changes in the rural development, while the efforts made for rural development on other forefronts have failed.

The research study consists of the information of the self help groups and the members of the groups. The growing tendency of saving, credit supply by banks, availability of self employment, development that has taken place in the rural areas and specially the progress of women through the participation in self help groups, problems of the self help groups and their remedies have been reviewed in the present study.

In Maharashtra state, Pune district is considered to be a prime location for development. However, the role of self help groups in the rural development has not been considered as a matter of concern. Therefore in this study, a modest attempt has been made to study the role of self help groups. This research work attempts to analyze working practices of self help groups and its relevance to rural development. The researcher has been keen to make

in-depth study of the self help groups and their relevance to rural area.

An analytical study of women self help groups has not yet been made from the viewpoint of rural development. The researcher hopes that the research study would prove to be significant to fill up this gap. For formulating the policies regarding the self help groups and for the purpose of further research, the research study would certainly be beneficial for the self help groups, members of self help groups, government, NGOs, self supporting institutions and banks.

OBJECTIVES OF THE STUDY:

The main objectives of the research study are stated below:

1. To review the self help groups and their beneficiaries.
2. To study the working and progress of self help groups.
3. To study the socio-economic status of the SHG members and their standard of living.
4. To study the role of self help groups in developing rural areas.
5. To study the benefits of the self help groups for its beneficiaries and society.
6. To identify and locate any discrepancies in the functioning of the self help groups and to suggest remedies to overcome them.

HYPOTHESIS:

1. Self help groups help the members to increase the capital generation.
2. Self help groups provide self employment opportunities in rural areas.
3. Self help groups help the improvement of standard of living of the members and their families and further contribute to the rural development.

RESEARCH METHODOLOGY:

This study deals with the Khed, Ambegaon and Junnar Talukas in Pune district in which the self help groups have been formed. The primary data has been collected with the

help of questionnaires, interviews and observations.

1. **Sample Size:** The geographical area covered in the research is of Khed, Ambegaon and Junnar talukas in Pune district. There are 780 self help groups (up to march 2007) and 12070 members associated with self help groups in these talukas. Each group has minimum 10 and maximum 20 members. The researcher has selected 78 SHG's (four years completed upto March 2007) and 390 beneficiaries i.e. 10 percent of 780 self help groups and 25 percent beneficiaries by convenient and simple random sample system shown in Table 1.

Table 1: Showing sample size of research study

Name of the taluka	Total SHG	Selected Sample SHG	%	Selected members of Sample Groups selected group)	%
Khed	270	27	10%	135	25%
Ambegaon	264	26	10%	130	25%
Junnar	246	25	10%	125	25%
Total	780	78	10%	390	25%

1. **Data Collection-** In order to conduct research on the topics selected, primary as well as secondary data has been collected.
- A. **Primary Data** – The primary data has been collected for this purpose based on field survey. Two questionnaires have been prepared for this purpose i.e. one for self help group and the other for its members. Their views and opinions have been taken into consideration.
- I. **Questionnaire for self help groups** - 78 self help groups have been selected by random sample system. The data includes the study of savings, loan facilities, working procedure of SHGs, progress of SHGs, recovery of loan, business, participation in social work, benefits to members, contribution to rural development, problems and remedies.
- II. **Questionnaire for members of self help group** – For the purpose of research study, every five members of 78 self help groups i.e 390 members have selected by

random sample system. The data includes the family background of member, changes in socio-economic aspects and the standard of living. The study also includes information related to their savings, loans, business, income, and recovery of loan, participation in social work and contribution in rural development.

B. Secondary Data – Important contributions to the subject through books, journals, magazines, Ph.D thesis, M.Phil dissertation, survey materials, periodicals, reports, Booklets, official manuals in India and abroad, mission statements and internet have been collected and used. The relevant information and data have been collected from both published and unpublished documents. For the purpose of research study the following libraries and government and non government offices were consulted.

2. Tools and Techniques of data analysis –

Two types of questionnaire were prepared for collection of data i.e. One for self help group and another for members of self help group. All these questionnaires were typed on computer. These questionnaires prepared in Marathi deliberately for convenience as most of the persons related with self help groups activities are Marathi speakers and readers. In order to obtain reliable and correct information, the questionnaires were prepared in Marathi language.

The data was analyzed by using various statistical tools i.e. percentages, averages, ratio analysis and correlation and co-efficient etc. to establish the relationship between the variables and to draw inferences.

CONCLUSIONS ABOUT SHG'S:

1. Among the total number of selected 78 groups for survey, 57.69 percent (45) groups are formed through self inspiration, 23.08 percent (18) groups are formed with a purpose of creating habit of saving among the members and loan distribution to the members, 12.82 percent (10) groups are formed to fulfill the members' need and remaining 6.41 percent (5) groups are formed to achieve the target set by government.

About 60 percent groups are formed with the self-inspiration of the members to accomplish their economic, social and cultural development.

2. It has been surveyed from selected 78 groups that 23.06 percent (18) groups are directly involved in business activities. The types of business carried out by the groups are candle-making, agarbatee-making, tailoring, food production, duster making, footwear, retail shop etc. These groups have provided employment to 143 members, and this has helped to increase their income. Thus, employment opportunities are increasing in rural areas.
3. Seventy-eight self help groups have been selected for survey, and the total number of members of these groups is 1189. It is found that among these members, the number of illiterate members is 27.33 percent (325) members and the remaining are literate as indicated in the following categories (i) 1st to 4th std- 21.70 percent (258), (ii) 5th to 10th std-38.86 percent (462), (iii) 11th to 12th std. - 8.33 percent (99). The total number of graduates and postgraduates is 3.79 percent (45). Thus, it is evident that 72.67 percent (864) members are literate.
4. The classification of the selected members of different categories has been carried out, where 54.67 per cent (650) members belong to OPEN category, 18.42 percent (219) members belong to OBC category, 5.97 percent (71) members belong to SC category, and 20.94 percent (249) members belong to ST category. The number of members who belong to OTHER category are 45.33 percent (539). Most of these members have participated in self-help group activities. Thus, it is revealed that the members of all categories are involved in self-help group movement. It helps to ensure rural development.
5. The total number of members of selected 78 surveyed groups are 1189. Out of them, 89.23 percent (1061) members are participating in social work activities. It is surveyed that in a large number, members are involved in the activities carried out by Self help groups like

village cleanliness, creating awareness among rural people about using toilet, get the rid of alcohol, tobacco, Gutka; achieving educational up-gradation, conducting health camp, women's camp, environmental awareness campaign, cultural program etc. These social activities conducted by self-help groups are certainly the obvious signs of the development of rural areas.

6. It has been surveyed that 100 percent (1189) SHG members have expressed their opinion that their saving habit is increased after becoming a group member. This is really a good indication for the development of the rural economy because as rate of saving increases it leads to rise in the investment quantitatively that could gear up the rate of capital formation and its availability in the market, which can create new employment opportunities and ensure enhanced income with multiplier effect.
7. It has been surveyed that 91.08 (1083) members of SHGs have articulated their views that their leadership skills are developing as a result of regular participation in group-meetings, discussion, interaction with other members. This would help the members of SHGs to improve the skills of communication and elevate the level of their confidence.
8. It is found with the help of study that 98.74 percent (1174) SHG members agreed that their standard of living is improved due to saving habit and increase in the level of income. This positive attitude will certainly help to attain the goal of total rural development.
9. It has been surveyed that 97.8 percent (1163) members including women said that their participation fairly increased in family decisions. This shows that the discrimination due to femininity is reducing, which marks a healthier trend for the social development of the rural area.
10. From the 78 groups surveyed, it is found that the contribution made by the members of the groups varies. 7.69 percent (6) SHG members contribute Rs. 30 per month, 33.33 percent (26) SHG members contribute Rs. 50 per month, 53.85 percent (42) SHG members contribute Rs. 100 per month and merely 5.13 percent (4) SHG members contribute Rs. 200 per month. It is thus evident that most of the members contribute less than Rs. 100 per month. If the amount of contribution is increased, it is bound to help the self-help group and its members to get accordingly financial benefits.
11. Out of Seventy-eight self-help groups surveyed to evaluate the saving of the groups, it is found that 42.30 percent (33) groups save amount less than Rs. 20,000 and their total saving is Rs. 4,44,200; 43.60 percent (34 groups) save amount between Rs. 20,001 to Rs. 40,000 and the total amount of saving is Rs. 9,57,200; 9.00 percent (7) groups save amount between Rs. 40,001 to Rs. 60,000 and their total amount of saving is Rs. 3,73,240; while 5.10 percent (4) groups save more than Rs. 60,000 and their total saving is Rs. 3,54,000. The total saving of 78 groups amounts to Rs. 21,28,660. It helps to raise the rate of capital formation in the rural market.
12. From selected groups, it is observed that 29.50 percent (23) groups distribute loans less than Rs. 50,000 to their members and the total distribution of loan of these groups is Rs. 8,80,700; 21.80 percent (17) groups distribute loans between 50001 to 100000 to their members and the total distribution of loan is Rs. 21,55,000; 19.20 percent (15) groups distribute loans between 1,00,001 to 2,00,000 to their members and their total amount of loan distribution is Rs. 25,18,000; and the amount distributed by remaining 29.5 percent (23) groups is more than 2,00,001 and the total loan distributed by these groups is Rs. 18,33,000. The total amount of loan distributed by 78 groups stands to Rs. 1,31,33,700 which is disseminated by these groups to its members from its own savings and bank loans taken by the groups. The amount of loan is very high and it is issued to the members with an objective to enable them to set up their business, which can help the generation of employment in rural areas.

CONCLUSIONS ABOUT SHG MEMBERS:

For the purpose of research, 390 members of selected 78 groups have been selected and the results are analyzed as under:

1. The classification based on different categories of 390 members of selected 78 self help groups is carried out and the following findings have been perceived. From selected SHG members, 30.26 percent (118) comprise to 18-30 years age group, 56.41 percent (220) members fall in a group of 31-50 years, and remaining 13.33 percent (52) members are older than 50 years of age. Most of the young members are participating in self-help groups, which is a good sign for the rural development.
2. Among 390 members of self help groups, the number of illiterate members are 14.36 percent (56) members and the other literate belong to the categories, 1st to 7th std.—33.33 percent (130) members, 8th to 12th std. —44.10 percent (172) members, and above 12th std. —8.21 percent (32) members. From the above information, it becomes clear that 85.64 percent (334) members are literate, which ensures to raise the altitude of education that helps to rural development.
3. Among these selected members of SHGs 51.79 percent (202) members belong to OPEN category, 17.95 percent (70) members belong to OBC category, 12.31 percent (48) members belong to SC category, 17.95 percent (70) members belong to ST category; and the members belong to other than OPEN category are 48.21 percent (188). Thus, it indicates that the members of various categories are involved in self help group movement. It helps to the socio-economic development.
4. The categorization of 390 SHG members according to their annual family income has been done. It is concluded that annual income of the families of 55.89 percent (218) groups is less than Rs. 25,000; 26.41 percent (103) groups' annual family income is between Rs. 25,001 to Rs. 50,000, and remaining 17.70 percent (69) groups' annual family income is more than Rs. 50,001. People belong to low-income category are also involved in SHG movement. Their involvement in SHGs will help them to increase their income and standard of living.
5. Research has been conducted to find out the different occupations of selected SHG members and it was found that 66.15 percent (258) members are housewives, 5.9 percent (23) members are engaged in full time job, while 7.95 percent (31) members are self-employed and they are engaged in different businesses, and remaining 20 percent (78) members are daily wage labours. Most of the members started their own business after becoming SHG member. They have boosted up the growth rate of employment in rural area.
6. It has been surveyed that, 214 members carry out their own business and they are classified according to income earned by them as further: 77.57 percent (166) members earn less than Rs. 2000 per month, 15.42 percent (33) members belong to the group of average monthly income between Rs. 2001 and Rs.4000, and 2.34 percent (5) members earn above Rs. 4001 per month. The majority of the members' income is less than Rs. 2000. Out of 214 members 94.86 percent (203) said that their income has increased, 94.39 percent (202) members said that their living style has improved because of business, and 32.24 percent (69) members have taken insurance policy for themselves as well as for business. Most of the members mention that due to business their per capita income has increased and standard of living positively changed and it substantially proves the rural development due to self help group.
7. Among 214 members who run their own business of whom, 71.96 percent (154) members face the problem of capital availability, 23.83 percent (51) members have to cope with labour problem, 4.67 percent (10) members have to face critical market conditions, and 27.57 percent (59) members tackle

with the low prices of their products. Hence, it is necessary that government and banks should provide capital to the SHG members, and should make the arrangement, which would help the members to sell their goods.

8. Among selected SHG members, 92.82 percent (362) members have mentioned that they are undergoing the improvements in understanding of various transactions such as, knowledge of the bank transactions, knowledge of their own financial transactions- 87.44 percent (341), knowledge to keep books of own transactions – 86.41 percent (337), understanding group transactions – 91.03 percent (355), information of government schemes and benefits – 69.74 percent (272). From the above information, it becomes apparent that the members can perform their own transactions independently.
9. It has been observed that, 74.36 percent (290) members were not involved in social activities but after becoming SHG members, all 390 members have begun to participate in such activities. The number of members who attend Gram Sabha is 75.9 percent (296), 94.87 percent (370) members believe that women empowerment has been successfully completed by SHGs, 92.31 percent (360) members have mentioned that standard of living is increasing in rural area.
10. Out of surveyed SHG members, 92.82 percent (362) have mentioned that children in rural areas are getting educated, 89.49 percent (349) members stated that the number of readers who read books, newspapers, magazines has increased, 91.54 percent (357) members agreed that the business activities in rural area have increased, 90 percent (351) members opined about the increasing opportunities of employment in rural area, 86.41 percent (337) members told that per capita income in rural area is increased. The above discussion proves that due to the initiative undertaken by SHGs, positive changes in economic, social and educational sectors have been made in the rural areas.

Table 2: The role of Self-help groups in rural development is proved as to the following comparison will clearly illustrate:

Before joining with Self help group	After joining to Self help group
1. Women were not saving money and mostly engaged in household activities.	1. Women developed the habit of saving money regularly and became business and small enterprise holders.
2. Uneducated and not aware of bank transactions due to illiteracy	2. Women became literate and came to know about the bank transactions
3. Family income was low	3. Family income has increased
4. Non-involvement in the social programmes	4. Growing participation of women in social programmes
5. Unaware of government schemes and could not take benefit of the same.	5. Women became able to get the information regarding various government schemes and they got the benefit of these schemes.
6. Insufficient employment opportunities were available.	6. Employment opportunities are available on a large scale.
7. Problems such as dowry, liquor, superstition, illiteracy, poverty, sanitation etc were faced in the rural areas.	7. Due to the development in the rural area, these problems are minimized, such as dowry systems, superstitions, child marriage have almost vanished. People have become literate and their standard of living has increased.
8. Lack of self confidence in women. They had to depend on others.	8. Women became self confident, self reliant to make their own decisions. They became independent.
9. There was no facility of drinking water, roads, electricity in rural area.	9. Facilities of drinking water, well equipped roads have developed.
10. People were addicted to alcohol, smoking and tobacco and did not use latrines.	10. Addiction has minimized and people started to use latrines in rural areas.
11. Standard of living was low of members and their family.	11. Members' and their families' standard of living has increased.
12. Non- availability of funds with low per capita income	12. Funds are raised to start business and per capita income increased

13. There was no women empowerment.	13. Women empowerment has been attained.
14. Home appliances like gas, TV, fans, Utensils, Motor cycle were not at homes.	14. Due to development members can purchase these home appliances, jewelry, utensils etc.
15. Lack of training facilities.	15. Training facilities for starting business have been made available.
16. Insurance policy was not known to the members.	16. Members have the knowledge regarding insurance policy.
17. Women had to depend upon the family.	17. Women became independent and began to support their family.

“Self help groups help the members to increase the capital generation”

TABLE 3: Total Loan Disbursement: SHG

For the said research study, the researcher collected the information from the opinion of 78 SHG's as sample opinion about total loan distribution. SHG help their members by giving them loan to start their own business or to fulfill their family needs. These members repay loan on time creating capital for SHG. Table 6.38 shows classification of groups according to total loan distribution.

Sr. No.	Loan disbursement Range	Number of Respondent (SHG)	Percentage	Total amount
1	Less than 50000	23	29.5	880700
2	50001-100000	17	21.8	2155000
3	100001-150000	5	6.4	685000
4	150001-200000	10	12.8	1833000
5	200001-250000	6	7.7	1405000
6	More than 250001	17	21.8	6175000
7	Total	78	100.0	13133700
	T value	20.39	Level of Significance <0.01	

Source: (Field Data)

Table 3 depicts that 29.5 percent (i.e. 23) groups distributed total loan less than Rs. 50000, 21.8 percent (i.e. 17) groups distributed loan between Rs. 50001 to Rs.

100000, 6.4 percent (i.e. 5) groups distributed loan between Rs. 100001 to Rs. 150000, 12.8 percent (i.e. 10) groups distributed loan between Rs. 150001 to Rs. 200000, 7.7 percent (i.e. 6) groups distributed loan between Rs. 200000 to Rs. 250000 and 21.8 percent (i.e. 17) groups distributed loan more than Rs. 250001.

Hypothesis No 2:

“Self help groups Provide Self Employment Opportunities in Rural Areas”.

TABLE 4: Total Employment Generated by SHG

The researcher visited to sample 78 SHG's and talked with them about total employment generated by SHG. The main objective of SHG is to provide employment to their members and make them financially independent. It helps to increase their lifestyle. The members can fulfill all their needs and can give education to their children. Also they can take care of their family health. The collected data is given through table 6.66 below:

PERCENT	NUMBER
12.03 (18)	143
100.00(78)	1189
Average	7.94
Chi-square Value (X²)	48.234*

Source: (Field Data) *Level of significance <0.05

Table 4 depicts that 143 persons got employment from 18 self help groups by their direct involvement in business. The employment generated per group was 7.94. Out of 78 SHG's, 18 groups were engaged in business. These 18 groups provided employment to 143 people. Thus employment is generated on large scale. This proves second hypothesis. From above figures, it is concluded that SHG's are always trying to increase job opportunities to their members and thus helping them to earn income.

Hypothesis No 3:

“Self help groups Help the Improvement of Standard of Living of the Members and their Families and Further Contribute to the Rural Development”

TABLE 5: SHG Business Related Points

For the said research study, the researcher collected the information about the opinion of 390 members as sample opinion regarding SHG business related points. Members start their own business from which they earn income. This income is used by them to fulfill their needs. They become financially strong. This increases the standard of living of members. Members take insurance for themselves, family members and business. Analysis is given as follows in table 5.

Sr. No.	Particulars	YES	%	NO	%	No Response	%	TOTAL	%	Value (X ²)Chi- square
1	Income Increase	203	94.8	3	1.40	8	3.74	214	100	3.66*
2	Living Standard increased	202	94.3	4	1.87	8	3.74	214	100	3.63*
3	Insurance	69	32.2	133	62.15	12	5.61	214	100	29.90*

Source: (Field Data) *Level of significance <0.05

Table 5 row 1 shows that 94.86 percent (i.e. 203) member's income was increased because of doing business through self help group, while 1.40 percent (i.e. 3) member's income did not increase because of doing business through self help group, and 3.74 percent (i.e. 8) were not respond.

Table 5 row 2 shows that 94.39 percent (i.e. 202) member's standard of living increased because of self help group, while there was no change in 1.87 percent (i.e. 4) member's living standard, and 3.74 percent (i.e. 8) did not respond. Majority member's standard of living has increased because of their business.

Table 5 row 3 shows that 32.24 percent (i.e. 69) member's insured themselves as well as taken business insurance, while 62.15 percent (i.e. 133) member's did not insure themselves as well as did not take business insurance, and

5.61 percent (i.e. 12) did not respond. Majority of the members did not take insurance policy for their business and themselves. The above figures show that, due to business the income and standard of living of members has increased. Moreover, members came to know about insurance policy and also used them.

SUGGESTIONS TO SELF HELP GROUPS:

1. It is suggested that self help groups should start their own business, which will help to increase job opportunities to their members. There is a need for every woman of self help group to take loan and start her own business.
2. Until now it has been seen that women in self help groups have been involved in traditional business as milk products, sheep rearing, production of Papad, Pickles, Jams etc. Instead of it, there should be changes to be made in the business in terms of local requirements.
3. Involvement of financially backward women is important in self help groups for their progress. It is necessary to give the required training to the women of self help groups and study tours related to it should be arranged by the SHG's and NGO's.
4. It is recommended that self help groups and their members should take the benefits of government schemes like 'Indira Gandhi Aawas Yojna', 'Rajiv Gandhi Gharkul Yojna' etc.
5. The functioning of self help groups should be free from the politics. Political interference cause disturbance in working of SHG.
6. It is necessary for every member to attend all the meetings of self help groups and there should be an active participation in the social activities of the groups like Gramswachata, Polio dose, awareness about environment, health etc.
7. It is necessary to introduce the study of self help groups in the education system at school level.

SUGGESTIONS TO SHG MEMBERS:

1. The members of self help groups should increase their monthly contribution, so that they get amount according to saving. Educated members of self help groups should educate the illiterate members of the groups and help them to solve their family problems. They should take business training from various institutions. It helps to conduct business efficiently.
2. It is suggested that the members should use the loan for small scale business not for domestic expenses and expand their business through which they earn profits.
3. They should be keen in advertising their products and giving information regarding the uses of the product to attract customers in a large way. They should use advanced machinery for product manufacturing.
4. Members should prove their identity as businessmen. They should get support and respect for their quality and not due to sympathy.
5. It is suggested that members should attend the meetings regularly and participate in the discussion and be free to pass their views and suggestions.
6. It is recommended that members should pay their loan amount and monthly contribution regularly to SHG. This helps to create capital for SHG and they can give loans to members.

SUGGESTIONS TO BANK, NGO'S AND GOVERNMENT:

1. It is suggested that Banks should make loans easily available to self help groups and also the banks should look after the use of loans
2. Likewise a 'Gramin Bank' in Bangladesh, the government of India should start a separate financial institute to provide loan facility to only self help groups and their members.
3. It is suggested that Government should pay attention in increasing the quality of self help groups rather than increasing the quantity and should purchase the products of self help groups and support them. They

should provide concession to the children of self help group members in education and training facility.

4. NGOs, municipal corporations, municipal councils (Nagarparishads) and village councils (Grampanchayats) should take the responsibilities of self help groups regarding the sale of their products and support them for their progress. They should arrange exhibitions on a grand scale for them free of cost.
5. It is recommended that like Pune District Central Co-operatives Bank, which provides loans at 0 percent, other banks should also provide loans at 0 percent. There should be a separate department section in the banks to provide loans to these self help groups. The records of self help groups should also be kept separately.
6. It is suggested that Government should provide self help groups the works related to gas agency, payment of electric bills, reading meters, voting card, Poshan Ahar Yojna, census (Janganana), family survey etc so that self help groups and their members get employment opportunities through such work.

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