A STUDY OF ALUMNI RESPONSE WITH REGARDS TO THE ENHANCEMENT OF EMPLOYABILITY OF MBA STUDENTS WITH SPECIAL REFERENCE TO HR SPECIALIZATION
Mohd Zahiruddin, Syed Abdul Mannan

CREATIVITY AND INNOVATION: THE WHIM OF MARKETING
Sapna Mathur, Nitin Tripathi

EMPLOYEE INVOLVEMENT IN ORGANISATION DEVELOPMENT: AN EMPIRICAL STUDY WITH CO-OPERATIVE SUGAR INDUSTRY.
Sudhir Atwadkar, Reshma T. Nathani

ESSENTIAL PLATFORMS TO MAKE FARMING ACTIVITY A LUCRATIVE OCCUPATION
Prashant S.Patil

IMPORTANCE OF HRM PRACTICES IN HOSPITAL INDUSTRY
Harshada Thorat, Daniel Penkar

ONLINE BUYING BEHAVIOR OF YOUTH IN PUNE AND NAGPUR CITY: AN EMPIRICAL STUDY
Vinay Kumar

PERFORMANCE OF ASSAM GRAMIN VIKASH BANK IN CREDIT DEPLOYMENT: AN EVALUATION
Pinkumoni Kashyap, Kingshuk Adhikari

ROLE OF EFFECTIVE COMMUNICATION IN ORGANIZATIONAL MANAGEMENT
Tanaji D.Dabade, Daniel J. Penkar

SOCIAL CONTRIBUTION INITIATIVES BY INDIAN FILM CELEBRITIES
Pavan C. Patil, Dr. P. W. Kale

WOMEN ENTREPRENEURSHIP SCENARIO IN SANGLI DISTRICT
Anjali V.Murumkar, V.S.Mangnale

Abstract of Ph.D. Theses

A STUDY OF IMPACT OF RUSHIKULYA GRAMYA BANK FINANCE ON RURAL DEVELOPMENT IN THE GANJAM DISTRICT OF ODISHA (2003-2012)
Padmalochan Bisoyi, Niles Dangat

A STUDY OF TECHNOLOGICAL TRENDS IN BANKING SECTOR WITH SPECIAL REFERENCE TO SELECTED NATIONALISED BANKS IN PUNE DISTRICT
Kamble B.B., Thorat H.D.
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# Table of Content

<table>
<thead>
<tr>
<th>Title</th>
<th>Page No</th>
</tr>
</thead>
<tbody>
<tr>
<td>A STUDY OF ALUMNI RESPONSE WITH REGARDS TO THE ENHANCEMENT OF EMPLOYABILITY OF MBA STUDENTS WITH SPECIAL REFERENCE TO HR SPECIALIZATION</td>
<td>01</td>
</tr>
<tr>
<td>Mohd Zahiruddin, Syed Abdul Mannan</td>
<td></td>
</tr>
<tr>
<td>CREATIVITY AND INNOVATION: THE WHIM OF MARKETING</td>
<td>08</td>
</tr>
<tr>
<td>Sapna Mathur, Nitin Tripathi</td>
<td></td>
</tr>
<tr>
<td>EMPLOYEE INVOLVEMENT IN ORGANISATION DEVELOPMENT: AN EMPIRICAL STUDY WITH CO-OPERATIVE SUGAR INDUSTRY.</td>
<td>15</td>
</tr>
<tr>
<td>Sudhir Atwadkar, Reshma T. Nathani</td>
<td></td>
</tr>
<tr>
<td>ESSENTIAL PLATFORMS TO MAKE FARMING ACTIVITY A LUCRATIVE OCCUPATION</td>
<td>26</td>
</tr>
<tr>
<td>Prashant S.Patil</td>
<td></td>
</tr>
<tr>
<td>IMPORTANCE OF HRM PRACTICES IN HOSPITAL INDUSTRY</td>
<td>32</td>
</tr>
<tr>
<td>Harshada Thorat, Daniel Penkar</td>
<td></td>
</tr>
<tr>
<td>ONLINE BUYING BEHAVIOR OF YOUTH IN PUNE AND NAGPUR CITY: AN EMPIRICAL STUDY</td>
<td>35</td>
</tr>
<tr>
<td>Vinay Kumar</td>
<td></td>
</tr>
<tr>
<td>PERFORMANCE OF ASSAM GRAMIN VIKASH BANK IN CREDIT DEPLOYMENT : AN EVALUATION</td>
<td>43</td>
</tr>
<tr>
<td>Pinkumoni Kashyap, Kingshuk Adhikari</td>
<td></td>
</tr>
<tr>
<td>ROLE OF EFFECTIVE COMMUNICATION IN ORGANIZATIONAL MANAGEMENT</td>
<td>52</td>
</tr>
<tr>
<td>Tanaji D.Dabade, Daniel J. Penkar</td>
<td></td>
</tr>
<tr>
<td>SOCIAL CONTRIBUTION INITIATIVES BY INDIAN FILM CELEBRITIES</td>
<td>58</td>
</tr>
<tr>
<td>Pavan C. Patil, Dr. P. W. Kale</td>
<td></td>
</tr>
<tr>
<td>WOMEN ENTREPRENEURSHIP SCENARIO IN SANGLI DISTRICT</td>
<td>62</td>
</tr>
<tr>
<td>Anjali V.Murumkar, V.S.Mangnale</td>
<td></td>
</tr>
<tr>
<td><strong>Abstract of Ph.D. Theses</strong></td>
<td></td>
</tr>
<tr>
<td>A STUDY OF IMPACT OF RUSHIKULYA GRAMYA BANK FINANCE ON RURAL DEVELOPMENT IN THE GANJAM DISTRICT OF ODISHA (2003-2012)</td>
<td>73</td>
</tr>
<tr>
<td>Padmalochan Bisoyi, Niles Dangat</td>
<td></td>
</tr>
<tr>
<td>A STUDY OF TECHNOLOGICAL TRENDS IN BANKING SECTOR WITH SPECIAL REFERENCE TO SELECTED NATIONALISED BANKS IN PUNE DISTRICT</td>
<td>84</td>
</tr>
<tr>
<td>Kamble B.B., Thorat H.D.</td>
<td></td>
</tr>
</tbody>
</table>
SBPIM JOMAT

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A STUDY OF ALUMNI RESPONSE WITH REGARDS TO THE ENHANCEMENT OF EMPLOYABILITY OF MBA STUDENTS WITH SPECIAL REFERENCE TO HR SPECIALIZATION

Mohd Zahiruddin¹
Syed Abdul Mannan²

ABSTRACT

In recent years, the term “employability” has become an increasingly central concept in higher education research, so as in management educational research.

A wide variety of critical issues management education in today's time is addressing, such as survival, intense competition, fulfillment of stakeholders’ expectations and providing employable graduates to the world of work. The world of work is increasingly changing due to globalization, intense competition and fast advancement in technology. To cope with these challenges and changes organizations are recruiting recent graduates with an expectation that these graduates are work ready. Students need to know the experiences of alumni which they gain at the workplace. Alumni are one of the best sources for the enhancement of employability of current students as they are functioning practically at the workplace. This paper addresses the issue of employability skills needed by the MBA students from world of work with reference to the HR specialization. For which sample of 100 alumni of management institutes has been interviewed who are in transition period of 2 to 5 years at workplace after the completion of their management degree and have dual experience both of management education and functioning at world of work.

KEYWORDS: Alumni, Employability Skills, HR Specialization, MBA Students, Management Institutes, The World Of Work, Work Ready.

BACKGROUND

It is assumed that the MBA graduates are work-ready when they complete their degree. Because of the recent shift in education and labor market policy educational institutes are under increasing pressure and preparing graduates who are work-ready as expected by the world of work.

The aim of this research paper is to understand the employability of MBA students with HR specialization. To examine whether the MBA students are work ready at the time of completion of MBA degree or they need certain employability enhancement training before they enter the world of work. To examine this problem, one of the best source ‘alumni’ of management institutes has been chosen. As these alumni have the dual experience, firstly as a student of MBA they have learned the MBA program curriculum at their respective management institute. Secondly, they have experienced the transition period of 2 to 5 years at their world of work after the completion of their degree.

For this research paper, alumni with Human Resource Specialization have been selected with an intention to examine what employability skills sets are expected by the HR field at various world of work from an MBA student of HR specialization. For knowing about the practical world of work, these alumni are one of the best media for both stakeholders i.e. education provider as well as students. Through alumni the stakeholders will be able to receive lots of suggestions about the skills gaps and to bridge it; various suggestions and guidance can be obtained to redesign the curriculum that can bridge the gap. Hence, the educators could be able to prepare their current MBA students work ready as per the demand of world of work.

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INTRODUCTION

MBA Graduates: The concepts and principles of the M.B.A. program are presented the best standard of the business education throughout the world—the master of business administration. MBA graduates get a platform to make a successful career through this business education which enable them to learn the fundamental and specific management theories and principles that will make them a visionary manager of their respective field. Because of this factor associated courses which are considered as wide option which majority of students choose in order to attain employability.

In this globalized business era where cut-throat competition has become the part and parcel of the work environment. To be at the top in business, it requires to have added skills and advantage over the other. As the MBA graduates are well equipped with such qualities and for their employability.

Work-ready graduates: According to Nettleton et. Al., 2008 and Candy, 2000, Work-ready graduates are graduates those who can make a smooth transition to work so they become expert practitioners in their chosen professional fields. Also from the point of view of YouGov— a latest survey conducted at the end of last academic year. Gray Weinstein reports in Training Journal under feature that the YouGov survey reveals that more than half of employers comment that very few graduates are employable upon completion of their graduation. In another survey conducted by One Poll indicate that 65 per cent of 2000 UK graduates were not work-ready, with 52 per cent graduates showed that their respective universities did not sufficiently help them to become work ready. (Gray Weinstein 2014)

EMPLOYABILITY

The word ‘Employability’ in this research paper is used by the researchers in the sense of employability skills.

What is ’employability’? It's a big buzzword and complex too. In simple term, it means that once potential to find a suitable position and responsibility at work. It all depends upon once qualities, abilities, attributes, personality, and the skills one has to develop along with his or her achieved qualifications.

DEFINITIONS OF EMPLOYABILITY:

The Higher Education Academy (2014) points to a ‘widely accepted definition of employability’ as cited in their Pedagogy for employability publication: a set of achievements, - skills, understandings and personal attributes that make graduates more likely to gain employment and be successful in their chosen occupations, which benefits themselves, the workforce, the community and the economy (Higher Education Academy, 2012, p.4). There are various definitions found in the literature, the following are few amongst them:

- ‘In simple terms employability is about being capable of getting and keeping fulfilling work’ (Hillage & Pollard, 1998)
- ‘Employability is the possession by an individual of the qualities and competences required to meet the changing needs of employers and customers and thereby realise his or her aspirations and potential in work’ (CBI, 1999)
- ‘Employability defines the knowledge, skills, attitudes and behaviours required by individuals to seek, obtain and sustain employment at all levels in the labour market.’ (Skills for Business Network Definition, 2007).

Snowden (2013) the president of Universities UK in his address to the Members’ Annual Conference explained employability as, “Employability is in the end a complex blend of skill, attitude, experience, motivation and interest, underpinned by the ability to learn and to apply that learning to the challenges that work presents”.

Employability enhancement: There has been an acknowledgement of the importance of higher education in the growth of national economy. In recent years the employability has attracted lots of attention in higher and professional education. Lots of research on employability
shows that there is apparently an insufficient link between education and the labor market’s expectation for equipped students with employability. According to Gray and Herr (1998), for the effectiveness of workforce education, work preparation with technical content alone cannot be sufficient, but it should be equipped with employability skills as well.

Therefore, it is essential for the education provider to equip their students with the required employability through incorporation of employability enhancement training with the MBA curriculum.

Alumni: An alumnus or alumna is a former student and most often a graduate of an educational institution (school, college, university). The term alumni are used in conjunction with man’s colleges, a male group of students, or a mixed group of students. The term is sometimes informally shortened to "alum" (plural "alums"), which stands for "an alumna or alumnus".

“Alumni” (a plural form) is often used as a singular form for both sexes.

Students need to know about passed out students as matter of curiosity about their future. Similarly, the alumni of their respective institutes are always curious in order to know the information about their last institute and its new students. As these alumni have the latest important information about the world of work will be helpful for the current students of their institutes. Alumni are one of the best sources for the enhancement of employability of current students as they are functioning practically at workplace and aware what is required to be employable.

Alumni can guide the educational institutes about the skill gap in its current students so as to plan employability enhancement training programmes along with their regular curriculum. These alumni are the one of best sources in informing about the vacant positions at world of work and about the essential qualities to be inculcate during the education. Alumni are the source of inspiration for the current students and may help to guide and assess employability in current students needed by the world of work.

The research work by Yorke (2004) says that much developmental work yet to be done on the student experience. A very little research work from the point of view of alumni opinion has used in the research studies (Mason et al. 2003. Crebert et al. 2004). Alumni are unique source on the dual perspective to contribute (Leitch.2006)

For current students who are in the placement process and about to enter the world of work, where alumni can communicate about the most important aspects for workplace which they have been experiencing during their transition from Institutes to world of work, and guiding to identify gap between the graduates equipped with skills and graduates who do not possess skills needed for effective functioning at workplace (Allen et. al.2005). Some of the alumni who became employer included on advisory board and called for feedback and advise the committee about the course on employability and university governance (A Report on Employers’ perceptions of the employability skills of new graduate report on page No. 23.)

**REASONS FOR CHOOSING ALUMNI AS RESEARCH RESPONDENTS:**

Alumni are the passed out students of the institutes, and the current students of the institutes know them, have trust on alumni, because earlier alumni were like these students. Alumni visits the institutes on many occasions and particularly on alumni meet. The relationship between alumni and current students of the institutes is a major source for knowing the world of work, as these alumni are in the phase of transitions. They know closely both place i.e. their institute and world of work. They possess dual experience, one of journey through curriculum and the other one journey of transition through the application and learning at world of work. Current students conceptualize themselves as these alumni. Alumni and the current students will always have emotional, and trust bond between each other.

On the day of alumni meet these alumni gather at the institute and share their experiences and thoughts, which are valuable to the institute as well as to current students.
The current students also discuss on their queries about the career, work readiness, job opportunities and the current scenario of the world of work. These alumni can judge the gaps in skills in current students, and they give lots of positive suggestions to the students for the bridging those gaps. The institute and the students take serious notes of those suggestions given by the alumni because of sense of belongingness and trust between each other.

According to Foster and Haitney (2000), alumni are in best source to judge the strengths and weakness of an educational programme. The outlook of recent alumni toward their educational degree provide useful information about the satisfaction level of the stakeholders as they have invested their precious time and money to gain the educational experience (Bauer & Bennet, 2003). As educators continue to identify the skills necessary for their graduating students to make them employable in the world of work, they found advices given by alumni very useful in designing curriculum as per the demand from the world of work (Michael & Elizabeth. 2008).

**Alumni connection with Business School**

Almost all alumni are connected to their respective management institutes after their management graduation, and have many opportunities to remain active and involved with their graduating institutions' students through alumni relations, networking and social media outlets, and that most powerful reflection of their affiliation to the alma mater. (Alumni Perspectives Survey-2013).

**Research Study area is 'Pune'.**

**The importance of Pune;**

**Education-** Pune is considered as one of the great hub of education in India. University of Pune was called “the Oxford of the East” by India's first Prime Minister, Pandit Jawaharlal Nehru. There are six universities and almost 198 management institutes out of which 178 are affiliated to Savitribai Phule Pune University, and about 20 management institutes are autonomous. Due to which the importance of education in Pune is significant. It is preferred destination by the national as well as international students for their higher education.

**Industrial importance of Pune:**

Today, Pune has diverse industries with thick population industrial workers surrounded it. Pune is known automotive hub as well, with some domestic and International automobile manufacturing giants including Bajaj Auto, Daimier Benz, Tata, Pune is also an IT hub, software multinational companies are operating here.

**Geographical Location;**

Pune is located between 17.5° to 19.2° North and 73.2° to 75.1° East. The district is bounded on North & East by Ahmednagar district, by Satara district on the South and by Raigad district on the West. In Pune district there are two municipal corporations, namely Pune Municipal Corporation (PMC) and Pimpri Chinchawad Municipal Corporation (PCMC). Pune district cover 14 talukas and 13 Panchayat Samitis. It accommodated around 1,866 villages. Total road length of Pune district is 13,642 kms. Average rainfall in the district is 600 to 700 mms.

**Population:**

The population of Pune city is around 72.3 lakh, and the literacy rate is: 81%

**Historical importance**

The history of Pune begins in the 16th century, and is closely linked to the history of Chatterpati Shivaji, the founder of the Maratha Empire, and to the Peshwa, the ministers of the Maratha empire and later Maratha confederacy. (Wikipedia)

Pune got its name from the name of the temple 'Punyeshwar', in the year 1918.

**Transportation and Logistics:**

Pune is having Airways, Road ways and Railways which provide transportation across the nation.
OBJECTIVES OF THE STUDY:
This study carried out with four objectives;

1. To examine the employability of these alumni during their first 2 to 5 years of transition from their management institutes to world of work.
2. To determine whether or not employability skills are missing in current MBA students with HR specialization to become work ready.
3. To receive the suggestions from these respondents' alumni about the employability enhancement training needed to incorporate with MBA curriculum.

HYPOTHESIS:
1. An MBA student is always work-ready after his graduation.
2. An MBA student needs additional training after he/she completes his MBA to become Work-ready.

RESEARCH METHODOLOGY
For the purpose of this research paper the researchers have applied simple random sampling method and convenience sampling method, For reaching 90% sample size alumni respondents the researchers have chosen 05 % of the total management institutes affiliated to Savitribai Phule Pune University and autonomous management institutes. The count from affiliated management institutes the researchers have got 09 and from autonomous they have got 01, but the count from autonomous 01 they felt it is odd that's why they added one more management institute from the list, thus the total count reach 11, form the selected management institutes the researchers have selected 90 alumni with HR specialization from the total count of alumni with HR specialization of previous 5 years i.e. from 2009 to 2014.

For the questionnaire preparation, the researchers have taken support of 'The Emotional Competence Framework' (adopted from the works of Daniel Golman, Emotional Intelligence and Working with Emotional Intelligence) considering that these are the basic employability skills which have always been expected by any executive and managers at world of work.

Before the administration of questionnaire, researchers made sure that the meaning and definition of employability have understood by the sample alumni so as to make sure the outcome responses would justify the research objectives.

SCOPE AND LIMITATION OF STUDY:
The research study is related with the employability of MBA students with special reference to HR specialization.

The geographical area for study is Pune. The conclusions, findings and suggestions are given on the basis of sample size, may or may not applicable to the other specialization of management and also may not be relevant to the other region.

Analysis and interpretation of data:
Firstly the researchers administered the questionnaire through discussion, interviews and telephonic conversations with sample alumni with HR specialization to determine which the employability skills are most valued by their superiors during their initial years of work (2 to 5 years)

Secondly, on the basis of information gathered from the first set of questionnaire, the researchers have administered the second set of questionnaire through discussions, interviews and telephonic conversations with the same sample alumni with HR specialization to determine which the common employability skills are missing in current MBA students with HR specialization of their respective management institutes.

Thirdly, when the researchers have identified that there is gap of employability skills in current MBA students with HR specialization, then on the basis of first and second information data they collected lots of suggestions and guidance from the alumni for the employability enhancement training for these current students. The same would be conveyed to the education provider in a systematic form.
CONCLUSION:

1. The sample alumni have various experiences about the identification of employability skills during their 2 to 5 years of work.

2. The responses to the researchers' questionnaire are almost similar from 85% of the sample alumni respondents;

i. The data of information through the questionnaire found about the employability skills set which are valued by all the superiors of the sample alumni during their initial years of work of 2 to 5 years, and

ii. The data of information through the questionnaire found about the employability skills which are missing in current MBA students of respondents' management institutes.

3. On the basis of above data i and ii the researcher have selected the common employability skills which are valued by the superiors of respondent alumni and the same employability skills are missing in current MBA students of alumni’s respective management institutes. The common employability skills are mentioned in below table.

<table>
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<tr>
<th>S. No.</th>
<th>Common Employability skills that are valued by superiors of respondent alumni at world of work and missing in current MBA students are:</th>
</tr>
</thead>
<tbody>
<tr>
<td>i.</td>
<td>Self-confidence</td>
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<td>ii.</td>
<td>Self-assessment</td>
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<tr>
<td>iii.</td>
<td>Communication Skills,</td>
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<tr>
<td>iv.</td>
<td>Understanding others</td>
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<td>v.</td>
<td>Initiative</td>
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<td>vi.</td>
<td>Commitment</td>
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<td>vii.</td>
<td>Communication</td>
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<td>viii.</td>
<td>Collaboration and cooperation</td>
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<td>ix.</td>
<td>Team capabilities</td>
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<td>x.</td>
<td>Leadership</td>
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<td>xi.</td>
<td>Self-control</td>
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<tr>
<td>xii.</td>
<td>Adaptability</td>
</tr>
</tbody>
</table>

Note: The above table contains the common employability skills set the respondent alumni with HR specialization have identified are valued by their superiors at their initial years of 2 to 5 at world of work and the employability skills missing in current MBA students of their respective management institutes of which they are the alumni.

4. On the basis of the common employability skills set mentioned in above table, it is necessary for the MBA education provider of MBA management institutes to enhance the employability skills of their MBA students with HR specialization through employability enhancement training, so as to make them work ready.

SUGGESTIONS:

1. The researchers have found that the above identified employability skills set mentioned in conclusions are not only essential for MBA students with HR specialization but also essential for all the MBA students of all specialization. Because, every manager or executive some or the other way needed these mentioned employability skills in their daily role at world of work.

2. To enhance the employability of MBA students with HR specialization educational provider must provide certain employability enhancement training to their MBA students so as to make them work ready.

3. Even MBA students must inculcate suggested employability skills through certain employability skills enhancement training so as to become work ready.

4. It is of prime concern to incorporate the employability enhancement training with MBA curriculum.

5. The researchers believe that intensive research work could also be carried out on the topic “employability” for other graduates from various streams.

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(Survey-2013- The Alumni Perspectives Surrey is a product of the Graduate Management Admission Council (GMAC*), a global nonprofit education organization of leading graduate business schools and the owner of the Graduate Management Admission Test GMAT-page-32)
CREATIVITY AND INNOVATION: THE WHIM OF MARKETING

ABSTRACT

“Innovation is the embodiment, combination, or synthesis of knowledge in original, relevant, valued new products, processes, or services”, Luecke, Richard and Ralph Katz (2003). Due to globalization, the competition has become so severe that each and every firm whether it is engaged in product marketing or service marketing, needs to be innovative in its area of operation. The reason being that if the company continues with its usual operations and different strategies, its profits will be eroded by the other competitors, who have understood the need of the hour to be innovative. In this paper, the factors are analyzed which are responsible for the increasing importance of innovation in marketing strategies backed up by creativity. This paper also defines and explains that how the marketers are using the innovation and creativity in increasing their tangible outcomes i.e. profits. The rapid pace of change and intense competitive pressure in today’s marketplace demand that companies continuously innovate and reinvent themselves to maintain their relevance and market position. But it’s very important to link the other intangibles also that pull all marketing wheels in motion as building remarkable leadership for organizations brand building and enhancing customer value. The paper concludes with stating the dreadful consequences if the marketer is unable to respond to the competitors as it has been rightly said that if a company doesn’t innovate, it may survive today, it will die tomorrow.

KEY WORDS: Creativity, Customer value, Innovation, innovative strategies, Leadership Marketing strategies.

INTRODUCTION:

“Innovation – any new Idea – by definition will not be accepted at first. It takes repeated attempts, endless demonstrations, and monotonous rehearsals before innovation can be accepted and internalized by an organization. This requires courageous patience.’ – Warren Bennis

Albert Rauch has quoted “The best defence against generic competition is innovation, because you don’t have to worry so long as you come up with an innovative product that antiquates your older product. You can replace your own product before generic competition comes out.”

In today’s ever-evolving world, nothing is certain in business world. It is full of opportunities and threats. Companies are facing tough competition in this competitive, commoditised and globalized environment. Every company wants to offer better products and services to their customers. The concept of Survival of the fittest is the matter of great concern and to survive in this situation, it is imperative for the companies to transform the threats into opportunity and utilize these to create consistent situation for their existence.

OBJECTIVE OF THE STUDY

1. To analyze the factors responsible for increasing importance of innovation in marketing strategies.
2. To study how innovation and creativity is being used by marketers to increase the market share and profitability.
3. To analyze the role of creativity and innovation in marketing strategies.
4. To find out the problems which the marketers may encounter without being innovative and creative in designing strategies.

RESEARCH METHODOLOGY

In the proposed study, the data has been used and collected from the secondary sources such as internet websites, e-journals, books, magazines, etc.

The research is descriptive cum analytical in nature.

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INNOVATION – THE WHIM OF ELITE

Innovation is the application of knowledge in a novel manner which is primarily aimed towards the economic gain. In respect of Innovation often presents solutions to problems we never knew we had. It's not easy to define innovation in a single sentence.

It may be:-

- “successful exploitation of new ideas”
- “new ideas that work”
- “turning ideas into effective reality”
- doing things differently
- new ways of working

(Definitions from Innovation Unit, NESTA, Innovation Exchange)

But innovation can't be defined alone. Innovating something well is quite challenging. Creativity is the key element of innovation. Creativity is an attitude, it is the process of thinking up new things and innovation is doing new things. (Theodore Levitt)

Creativity is typically used to refer to the act of producing new ideas, approaches or actions, while innovation is the process of both generating and applying such creative ideas in some specific context.

Without creativity, there would be no progress, and we would be forever repeating the same patterns. (Edward De Bono)

USE OF CREATIVITY IN MARKETING

The area of marketing revealed a range of applications for creativity thinking. It is suggested that marketing executives need to be creative in order to enable their organisations to match the activities of their competitors and meet the needs of a rapidly changing environment. It can help the organizations to create new values and to respond to the environmental changes.

It is the job of marketing professionals to make something out of nothing.

In March 2008, the economic Intelligence Unit conducted an online survey of 261 executives worldwide to know their perception and attitude towards the role of innovation in organization. Some 60% of survey respondents report a shortfall of ideas in their innovation pipeline, but only 14% cite this as the most challenging part of the innovation process. 70% of survey respondents say product innovation is critical or very important for maintaining corporate competitiveness. However, even higher proportion (74%) suggests that business process innovation—rethinking the internal systems and processes for how their firms operate and deliver goods and services to customers—is a crucial driver of success.

Innovative and creative marketing strategy is not only important for economic benefit but also to persuade the customer to purchase the product or to avail the service. It is only possible when customer has made his attitude favourable towards the offering and the company. Companies that understand how customers value time in relation to their offerings were more successful in today's economy and often achieved a competitive advantage, Stan Abraham, (2012).

In 1950s, the marketing mix (i.e. 4 Ps) was developed to provide a direction to the marketers for increasing company profitability and market share, if used appropriately. The strategy to strengthen the relationship between the needs and wants of the users and the products and services offered by the organization is better known as the marketing mix. A typical marketing mix consists of product or service offerings at a price, targeting a customer segment in certain place and a set of modalities to reach the target customer and promotion to tell the potential customers about the availability of the offering (McCarthy, 1978).
MARKETING STRATEGY IN COMPETITIVE ENVIRONMENT

Marketing strategy explain how the marketing function fits in with the overall strategy for a business. It begins from the STP approach implementation and extended to the product development, its promotion, distribution and pricing. But the marketing strategy of a firm should be an integral part of the firm's overall strategy. It also serves as a foundation of the marketing plan. Generating good innovation ideas is hard; getting them to adoption is even harder. Escalating competition and mounting customer aspirations are altering the character of prudent innovations and the customer is looking for factors such as attractive designs. Better-designed products, in turn, have a positive effect on the lead market potential, creating a worthy cycle. The study also discovered that frugal innovations are increasingly taking place in “open global innovation” network and are no more a purely national or “Jugaad” affair. Rajnish Tiwari, Cornelius Herstatt, (2012)

Creativity and innovation are crucial in organization's success through the innovation and creativity in services, prices, promotion and distribution.

If we talk about the innovations in product, we have a variety of innovations around us. Either we talk about the Tata’s Nano (a technical breakthrough) or we discuss the Apple's Ipad and Tablet. Intel's core competency is product innovation. Breathe Right’s nasal strips aren't just for snorers, invented by Bruce Johnson.

JUGAAD - It is a unique verb translates as making do and this concept is applied for innovation in rural India. An improvisational style of innovation that's driven by scarce resources and attention to a customer's immediate needs, not their lifestyle wants.
These are the true global innovation i.e. Product innovation, Marketing innovation and Business innovation.

At the outset, companies can’t rely only on products. Marketers are forced to adopt a new marketing framework. The consumer today is seeking more than just a commoditised brand to base his purchase decision on. Associating a service with the product is an opportunity for the companies to tap this latent need of the consumer formats. They too, have product forms that go along with the outputs of their services.

In the past, services have been treated quite separately from other industries and have been attributed with ‘unique’ characteristics to justify such treatment. Now a days, products and services are becoming increasingly entwined and marketers are moving away from ‘typical product’ approach and looking at adding ‘service’ element to the ‘product’. So the services like training, technical support and warranties are becoming critical differentiators for comparative advantage.

If we see today’s product offerings, we can observe that, the levels of the product offerings are increasing and the augmented product is increasingly becoming the part of the expected product and the horizon for potential product is increasingly widening and the marketer is providing the same as this is the only tool left with a marketer to remain competitive in the marketplace.

At the same time marketers are also providing several services which customer could not expect in the past. In this way currently marketer is providing value to the customer.

**VODAFONE** - Vodafone has been coming up with innovative promotional strategies to dominate the market. Zoozoo ads were released during the IPL, 2009. The characters have been created by Ogilvy, India for Vodafone to convey different value added services offered by the mobile phone company including phone Backup, cricket alerts, etc. The characters are such that they lead simple lives, speak insane and incomprehensible language and move in a certain way with human emotions. No doubt, Zoozoo are the new brand endorser for Vodafone.

**WHAT AN IDEA SIRJI!!** - This was created by Lowe. Abhishek Bachhan endorsed this brand. The main focus of the promotion is upon the social welfare. It emphasizes on education equality, on participative governance, on paper saving (Green Marketing).

**‘IDEA INTERNET LAGOING, INDIA KA NO ULLU BANOING’** - Idea’s new campaign shows how its mobile internet has empowered everybody to call for a untruth. Lowe Lintas has created the campaign which will show users how to avoid immoral situations and people in everyday life.

**SOCIAL NETWORKING WEBSITES** - Websites as Orkut.com, Face book, Twitter, MySpace, Linkedin.com, etc are offered by the marketers for communicating with the customers.

**AIRTEL** - These telecom service provider companies are giving a tough competition to the music companies by offering the value-added services to the customers in form of Caller tunes and Ringtones. Even through 30 seconds music, the company is generating ample amount of revenue.

**YOUNGISTAN-PEPSI** - The introduction of Ranbir Kapoor as a Youth Icon is the strategy to attract the young customers and to link them with the product.

**INCREDIBLE INDIA CAMPAIGN** - Even if we see the other sectors as tourism and travel, etc. Creativity and innovation is used fabulously. No one can even ignore the campaigns of Incredible India by Ministry of Tourism, Government of India. It’s a great initiative that is helping tap into the full potential tourism in India. “Atithi Devo Bhavah program” is started that aims at boosting up the tourism industry which would act a catalyst for India’s economic growth.

**INDIAMART.COM** - India’s largest B2B marketplace - Today, Indiamart.com is a well known name in B2B marketing. It is giving tough competition to yellow pages.com, alibaba.com, etc. which are leading international players, only because it responded to the changing needs of competition by adopting creative marketing strategies.
### TOP TEN INNOVATIVE COMPANIES OF INDIA

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>ACTIVITIES ENGAGED IN</th>
</tr>
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<tbody>
<tr>
<td>Indian Premier League</td>
<td>The IPL has transformed cricket, establishing a new model that shows how the game can be revamped, restructured, and tailored to today’s short attention spans and entertainment infrastructure—and succeed wildly.</td>
</tr>
<tr>
<td>VNL</td>
<td>This startup founded in 2004 reverse-engineers telecom for the rural poor with solar-powered base stations that can be assembled onto a village home’s rooftop by anybody and operational with mobile service within six hours.</td>
</tr>
<tr>
<td>Reliance Industries</td>
<td>Myriad ranging from gas to groceries at one of Reliance Industries’ myriad subsidiaries, including Reliance Fresh (food), Reliance Solar (solar power), and Reliance Institute of Life Sciences (education) extreme vertical integration: Reliance doesn’t just make and sell suits (under the brand Vimal); it makes and sells the fabrics to make the suits, and the yarn to make the fabrics, and the thread to make the yarn.</td>
</tr>
<tr>
<td>Godrej Group</td>
<td>Godrej crowd sourced rural villages for design input on its small, affordable Chotu Kool refrigerator, and it partnered with more than 40,000 barbers and salons to promote a new hair-care line this summer.</td>
</tr>
<tr>
<td>Narayana Hrudyalaya</td>
<td>Integrated Telemedicine Project aims to extend the hospital’s health-care reach to all 53 African countries through fiber-optic networks and satellite.</td>
</tr>
<tr>
<td>Bharti Airtel</td>
<td>India’s largest cell-phone service provider—with some 110 million subscribers—began providing wholesale international long-distance services to and from any country, putting it in direct competition with AT&amp;T, BT, and Sprint.</td>
</tr>
<tr>
<td>Wipro</td>
<td>The homegrown services powerhouse has a new gateway that uses GSM mobile technology to remotely collect data from medical devices such as blood-pressure monitors, glucose meters, pedometers, and weighing scales, then provide real-time medical data, video, and image transfer from a patient to doctor.</td>
</tr>
<tr>
<td>A Little World</td>
<td>This Mumbai-based tech shop is transforming the burgeoning mobile-payments sector with innovations that connect rural India to mainstream financial institutions. Its 2003 incubation of Mchek, a mobile-to-mobile payment platform, was later adopted by the state of India and Airtel before it was spun off into a stand-alone business three years later.</td>
</tr>
</tbody>
</table>
Mahindra & Mahindra

One Mahindra Portal, an intranet-based innovation "pad" launched in early 2009. This companywide platform allows those who wish--some 40% of its 100,000 employees across 104 subsidiaries--to brainstorm and share ideas; at last count, it has generated 400, from processes to new products, that have reportedly been put into beta tests.

Infosys

Hiring of young graduates doubling the length of their training to six months and assigning the new hires mock projects to hone their skills.

**REPERCUSSION OF IGNORING THE NEED OF THE HOUR**

The need of the hour is to respond the competitors by being innovative and creative in order to be in competition. Desperate times call for desperate measures. In the midst of today's global economic crisis that organizations are facing, it is not just the largest or the strongest that survive but it is the ones that adapt to the situation at the earliest.

In the era of me-too products and services, it's crucial to do the demarcation for the customers among different companies. The only solution is how much the companies are creative and innovative in the process of developing the product or service idea upto offering to the end users. Adams, R, Bessant, J & Phelps, R stated that managers are not capable to evaluate their own. Otherwise, the company may lose its profits which are the major concern area for the company as without revenues; the company will not be able to invest funds in research and development. Market leadership is also the most important objective for any player as they are the customers who make any company a leader or the looser. It may loose its strategic influence for marketing.

Services and products are produced and consumed simultaneously, so this creates a special challenge and this is the main place where the marketers can use their creative skills. The organizations ought to reward their employees for innovation – related deeds. It maintains healthy relations with employees and building marketing relationships can improve the viability of companies, Erik A. Borg, (2009).

**HOW TO OBTAIN CREATIVE IDEAS**

Sustained innovation coupled with nourishment of factors is the road to glorious success. The elements of the outer rings as well as the inner ring of Chakravyuh require creative insight of organization and business people. It's not necessary that the senior executives can provide the innovative and creative ideas because basically they are the keepers of the culture or sometimes they are driven by the quarterly drumbeat of the market. To be innovative and moreover creative, a lot of trust is required and change also.

- To obtain new and creative ideas, 'bottom-up approach’ is quite good. Having people who understand the need of the customer means being close to the customer or prospect. Even Infosys former CEO Nandan M. Nilekani concurs: "If an organization becomes too hierarchical, ideas that bubble up from younger people aren’t going to be heard]."
- Evolution of positive culture is must which should have good amount of clarity and understanding.
- It’s important to stress the importance of creativity by the marketers and make them understand that innovation and creativity can keep the firm in a competitive position.
- In the process of obtaining new ideas, brainstorming session works good.
- Broadening people’s experiences can be a great way to spark ideas. Short term job swaps and shadowing in-house can introduce a fresh perspective to roles.
CONCLUSION

It is now common knowledge that the era of anything sold is well on its way out consumers have become more discerning and demanding. We are seeing the demonstration effect at work, with our people getting greater exposure to international trends and demanding that the very best be made available here at terms acceptable to them. The challenge before the marketer, therefore, is to innovate on a continuous basis in every aspect of its offering viz. the product, the packaging, the distribution, the advertisements, the promotion teal. The idea of creativity for sheer survival is an idea whose time has come simple as it may seem, interesting ideas in marketing have emerged simply by asking the right questions. It is all about “thinking out of the box.” The biggest barrier to innovation and creativity are resistance to change, lack of visibility across business units or geographies. Innovation backed up by creativity is paramount for marketing success. Its objective is to draw attention, get down to business, make its point, and influence consumer buying decisions. The organizations need to allocate the resources and time to develop and implement the creative ideas. Failure to do so not only means your firm will fail to benefit from innovation, but flow of ideas may well dry up if staff feel the process is pointless.

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EMPLOYEE INVOLVEMENT IN ORGANISATION DEVELOPMENT: AN EMPIRICAL STUDY WITH CO-OPERATIVE SUGAR INDUSTRY.

Sudhir Atwadkar¹  
Reshma T. Nathani²

ABSTRACT

The purpose of this paper is to carry-out in depth study of different factors which influence employee’s involvement and participation in the cooperative sugar organisation. The factors related to training, career advancements, motivation, communication and policies have been taken for the study and discussed comprehensively in order to know the perception of employees for improving the operational performance of the organisation. A detailed questionnaire was developed and data was collected from different categories of employees with the help of Likert scale. Analysis was carried out on the basis of mean, standard deviation, frequency distribution, correlation and regression analysis for testing of Hypothesis. Valuable results based on data analysis were found throughout the study which indicates the effects of employees’ involvement and participation in performance of cooperative sugar organisation. Several findings have also been drawn on different factors of the study which are perceived to be beneficial in improving the performance of organisation and appropriate recommendations have been made in the light of primary data analysis and interaction with various employees.

KEY WORDS: - Participation and Involvement, Performance, Training, Motivation, Policies.

INTRODUCTION

Every organisation irrespective of its nature is made up of people. Organisation’s make use of every employee’s knowledge, developing their proficiency, motivating them to achieve their individual and organizational goals, inspiring to reach higher levels of performance and ensuring that they continue to maintain their commitments towards the organisation which are essential in attaining organizational objectives. Organizations' which are able to acquire, develop, stimulate and retain outstanding employees are effective and efficient. HR practices thus play a vital role either in the success or failure of an organisation.

At present 180 sugar factories are registered in Maharashtra state, out of that most of the co-operative sugar factories are situated in Western Maharashtra. The cooperative sugar factories in our country have been doing a commendable job for all these years in terms of uplifting the socio-economic conditions of its stakeholder’s and rural region. The co-operative sugar factories are not only income generating or sugar producing establishment, but they are amongst the biggest employers. During the last decade we have witnessed a paradigm shift in management of enterprises from production based to productive and efficiency based. In modern times 'Management' is treated as a technology and a fundamental factor of production.

In today’s competitive business environment, quality and productivity are the two important factors for the survival and growth of any organisation. Involving employees in designing work systems and their participation in decision making generated commitment to find solutions for the problems encountered by them on their jobs. The 21st century has brought revolutionary concepts to transform the conventional practices in commercial and manufacturing enterprise in order to enhance efficiency, control and productivity. Management by Objective (MBO) is fast changing the existing mindset of top and middle management so as to set short-term and long-term goals and devote all energies in the achievement of required objectives.

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goals. This is done by adopting modern tools and techniques and innovative experimentation on which various models are developed, which not only convince the employees to become active participants but steer them to bring creativity in the work practices as empowered specialists and experts in their respective domains.

Employee involvement is based upon the recognition that the success of any organisation is determined to a significant extent by the contribution of its employees. Employee involvement programs therefore seek to facilitate the involvement or participation of employees in the organisation. Through active participation opportunities are provided for employees to learn or gain information through participative involvement. Now a day, the co-operative industries are suffering from many problems and most of the problems are related to management practices. This study attempts to investigate various problems, on the basis of which required level of performance is being affected in cooperative sugar organisation. The various problems are -

- Lack of training and development opportunities.
- Provision of various financial and non financial motivations for employees.
- Be deficient in career advancement program.
- Problem faced by employees in communication.
- Rules and regulations impressed by higher authorities.

**OBJECTIVES**

1. To study the impact of training on performance of employees in organisation.
2. To study prospects of career advancement provided by organisation for employees.
3. To study the motivation given by organisation for employees.
4. To study the communication gap among employees and hierarchy of the organisation.
5. To study the effect of policies and instructions compelled by authorities on the performance of employees.

**THEORETICAL FRAMEWORK AND RESEARCH HYPOTHESES**

In this era of globalization there is need for employee’s empowerment in organisation so that employees will be in a position to make quick decision and respond quickly to any changes in the environment. Organisation that are committed to employee empowerment they are in a position to motivate and retain their employees, although it’s a complex management tool which needs to be nurtured and handled with a lot of care (Nick et al., 1994). In recent years, employees management participation agenda is retained in place. The main objective of EI by employees of a management commitment to increased understanding and a high level of organisation and contributions reflect safety related agenda. While some types of EI through new channels that have increased their influence can provide employees with, or force employees joined (Marchington et al 1992) in a share not included in de jure is. The production process initiated service delivery issues or direct employees to cover up the involvement of the EI and very busy staff who one more try ‘after contract’ is likely to include the right products tended to do this. Managers who hold Human relation theory of participation belief simply in involvement for the sake of involvement, arguing that as long as subordinates feel that they are participating and are consulted, their ego needs will be satisfied and they will be more cooperative (Richie and Miles, 1970). Training is an important factor in economics. (This increased productivity and quality of life (all right and Tergeist, 2002) is a major source). Workers who perform complex tasks and higher levels of formal education of this high-efficiency, higher wages, more training opportunities, now far more social status (Gershuny, 2005). In contrast, workers who have less education in the process of backward training workers for their skill at a dangerous cycle inducing, more unemployment and increase the risk of social exclusion could be expected to achieve (Keep et al, 2002).

Davis (1999) studied and explored the relation between current management thinking in a broad sense and the particularities of managing a cooperative enterprise. In the
author's words "managers managing cooperative organizations should have access to not only the best and latest management techniques, methodologies and strategies but they should also understand how to apply them in the context of the cooperative values and purposes that their organizations serve". Kamat (1966) in his PhD. thesis titled “Management of Cooperative Sugar Factories in Maharashtra" studied 12 cooperative sugar factories in Maharashtra and concluded that large gap remains in what is being accomplished and what would be done with higher standards of cooperative business management practices. Focus group research (Murgolo Poore - et al), after creating intranet effectiveness inductively Checklist, which causes most questions center on changes of cooperation between employees. Business press, many business and management consulting profession opinion is that a company's corporate culture and strong policy option for economic performance is a difference. However, empirical literature in economics and finance is still little attention paid to the potential role that corporate culture is extended to companies, most measuring and quantifying corporate culture plays because of the difficulties, but the economic ideas clearly due to lack of strong policies that certainly is a model corporate culture. But, as pointed out by Kreps (1990) and Hermalin (2001), corporate culture need to understand if we 'policy option companies want to understand and ultimately their performance. This paper contributed so strongly a formal empirical analysis of policies and performance in the corporate culture from ideology.

As Torbiorn, Petterson, and Arvonen (1996) suggested that management of the organisation is required to provide the right circumstances or conditions so that employees can be and feel empowered and willing and able to exert upward influence. HRM has emerged as a major function in enterprises and organisations. It is the focus for a wide-ranging debate concerning the nature of the contemporary employment relationship in many market economies. In order for an employee involvement process to be effective, five factors need to be present.

Training: The importance of HRD to a large extent depend on training. Job and organizational requirements are not static. They are changed from time to time in the view of technological advancement and change in the awareness of the TQM. Trained employees are valuable asset to an organisation. Organizational efficiency, productivity, progress and development to a greater extent depend on training. If the required training is not provided, it leads to performance failure of employees. Training enhances competence, commitment, creativity and contribution for the organisation.

Motivation: Motivation in simple terms may be understood as the set of forces that cause people to behave in certain ways. Ability refers to the skill and competence of the person to complete a given task. However, ability alone is not enough. The person's desire to accomplish the task is also necessary. Organisation becomes successful when employees have abilities and desire to accomplish given

![Figure 1: Conceptual Model For Employee Involvement and Organizational Development](image-url)
tasks. People are said to be motivated positively when they are shown a reward and way to achieve it. Such a reward may be financial or non financial. Motivated employees are always looking for better way to do jobs and performance.

**Career Advancement:** Career is a sequence of separate but related work activities that provides continuity, order and meaning in personal life of employees. Individual career planning assumed greater significance with the unparallel growth and speed of knowledge. Career planning is modern tool to retain the employees in organisation. It wills not only provided multiple alternatives, but also enhance the knowledge, skill of employees and performance of organisation.

**Communication:** All organisation need communication systems to function, whether these are overtly recognized or subconsciously taken for granted. Communication is important in the organisation for three reasons – all the functions of management involve the act of communication without which they cannot be performed at all, authorities devote a major portion of their time to the acidity of communication and interpersonal relations are maintained and developed only through the system of communication. Communication is also essential to integrate and coordinate the activities of the people in the organisation. Employee involvement communication systems are processes that enable the workforce to have a greater say in decision-making to varying degrees, with the concomitant loss of managerial prerogatives - an issue that can create conflict, as well as attempting to allay it.

**Policy:** Policy refers to those set of perspective management proposals and measures taken with a view to ensuring the survival and long term success of an organisation in a competitive environment. HR policies constitute guidelines to the course of action intended to accomplish personnel objectives. HR programmes are complex sets of goals, rules, steps to be taken, resources to be employed and other elements necessary to carry out the given course of action. It can be said that rules and programmes are aids to policy.

In the present situation of the management practices, employee involvement and participation is an effective tool to improve the performance of any organisation. To develop the employee involvement and participation in decision making, a theoretical framework (Model) has been designed based on the variables - training, career, advancement, motivation, communication policies and performance. This model was adopted for two reasons – first, the model was based on extensive literature review. Secondly, the elements in this model are validated and applicable to employee participation and organizational development context. The hypotheses for the present study are -

H1: There is a significant relation between training and performance.
H2: Career advancement influences overall performance of employees.
H3: There is association between motivation programs and performance.
H4: Communication channel affects the performance of employees.
H5: Policies and instruction have impact on performance of employees.

**RESEARCH METHODOLOGY:**

The major objective of this is to explain various tools and techniques employed for the data collection, data analysis and interpretation of the data relating to the present study.

**Research Design** - In this study, Exploratory Research Method was adopted to ascertain the involvement and participation of employees in order to achieve required level of performance in the strategic organisation.

**Population of the Study** - This study aimed to find out the problems of employees due to which their involvement and participation is being affected in performance of Cooperative Sugar industry. In this study, the population consists of all the employees working in the Cooperative Sugar Industry.

**Sampling Technique** - For this research Non Probability Sampling technique has adopted in which Convenience Sampling Method was chosen for obtaining the opinion of
the employees.

**Sample Size** - Five Cooperative Sugar Industries are considered and Sample size consisting of 200 personnel employed at various levels in these organisations. The levels of employees (sampled) have been divided into three different management categories namely Senior, Middle and Junior Managers of different departments.

**Research Tools and Instruments** - The data was collected with the help of an interviewing schedule. An interviewing schedule consists of a set of questions asked in questionnaire to the respondents and answers are recorded by interviewer in a face to face situation. Efforts were made to construct structured questions as far as possible. Questionnaire of this research was constructed in the light of 5 point LIKERT Scale. The LIKERT scale shows the intensity of feelings of individuals towards objects.

**RESULTS ON DATA ANALYSIS:**

The main purpose of this is to carry out the statistical analysis of primary data which was collected with the help of questionnaire form by the researcher himself in a face to face situation. All respondents were interviewed personally.

The data was collected from three different level categories of different departments of the organisation. These management categories are senior management, middle management and junior management. Senior level category consists of Managing Director, General Manager and Head of departments. Middle management category consists of Assistant Manager, Supervisors, Clerk and Lab. Assistants. The Junior level category includes skilled and semi skilled machine operators, packaging, maintenance staff and drivers.

200 respondents were taken as a sample from three different management categories. 15 respondents were taken from senior managers who are having experience of 15 to 20 years, 75 respondents were taken from middle level categories who all having experience of 10 to 15 years and 110 respondents were taken from junior level categories who haveing experience of 5 to 10 years, to whom questionnaires were distributed and interviewed accordingly. Out of 200 individuals, all respondents actually filled in and returned the questionnaire to researcher for evaluation. Responses to each question ranges from 1 to 5 i.e. 1 = strongly disagree, 2 = Disagree, 3 = Neutral, 4 = Agree and 5 = strongly agree, indicating employees involvement and participation in organization's activities. The collected primary data has been divided into three parts for detailed analysis. The results were presented in, tabulation and analysis of descriptive statistics and correlation analysis and testing of hypothesis.

<table>
<thead>
<tr>
<th>Reliability Statistics</th>
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<tbody>
<tr>
<td>Cronbach's Alpha</td>
</tr>
<tr>
<td>722</td>
</tr>
<tr>
<td>N of Items.</td>
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<tr>
<td>30</td>
</tr>
</tbody>
</table>

**Correlation and Regression Analysis** -

Correlation and Regression analysis is carried out by the use of Microsoft Excel and SPSS (17.0). Through this analysis, Reliability of the data, development of relationship between independent and dependent variables (correlations), and validity of the model and testing of Hypothesis has been found out. Reliability of data was found by 72.2 percent which was collected through independent and dependent variables.

Correlation analysis dictates following:
Correlations

<table>
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</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

- Performance and communication has strong relationship as indicated by 43.5 percent which have proved to be significant at 1 percent level of significance based on 2 tailed tests.
- There is strong association of performance and motivation by 41.6 percent which have proved to be significant at 1 percent level of significance based on 2 tailed tests.
- Strong association has been found between performance and career advancement by 32 percent which have confirmed to be significant at 1 percent level of significance based on 2 tailed tests.
- Performance and training have relationship by 27.1 percent which have proved to be significant at 1 percent level of significance based on 2 tailed tests.
- Performance and policies have relationship by 23.9 percent which have confirmed to be significant at 1 percent level of significance based on 2 tailed tests.

Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
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<tbody>
<tr>
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<td>.306</td>
<td>.292</td>
<td>5.97100</td>
<td>.016</td>
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</tbody>
</table>

a. Predictors: (Constant), Training, Communication, Career Advancement, Policy, Motivation
b. Dependent Variable: Performance

Through Regression analysis only total 29.2 percent performance of organisation depends upon the independent variables i.e. training, career advancement, motivation, communication and policies.
Testing of Hypotheses -

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
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</thead>
<tbody>
<tr>
<td></td>
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<td>Std. Error</td>
<td>Coefficients</td>
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<td>Career Advancement</td>
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<td>Communication</td>
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<td>Policy</td>
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<td>.073</td>
<td>.255</td>
<td>2.719</td>
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</table>

a. Dependent Variable: performance

Hypothesis # 1 - There is a significant relation between training and performance.

Training has significant relation with performance of employees by 7.9 percent if adequate on the job training, prepare the employees for changing requirements, role and responsibilities are to be monitored by the hierarchy of the organisation. The analysis shows that Hypothesis # 1 stands true.

Hypothesis # 2 - Career advancement influences overall performance of employees.

Career advancement influences overall performance of employees by 23.4 percent if counseling of career development services and internal career advancements of the employees are to be facilitated by the management authorities of the organisation. The result shows that Hypothesis # 2 holds true.

Hypothesis # 3 – There is association between motivation programs and performance.

Motivation programs has association with performance by 22.5 percent in an organisation if educational benefits, recreational facilities, healthcare facilities are to be given by the management authorities of the organisation. The result shows that Hypothesis # 3 holds true.

Hypothesis # 4 - Communication channel affects the performance of employees.

Communication has strong impact on performance of the organisation by 31.6 percent if accurate, regular and timely communication is to be ensured by the organisation. This result shows that Hypothesis # 4 stands true.

Hypothesis # 5 - Policies and instruction have impact on performance of employees.

Policies and instructions of organisation have strong impact on performance by 25.5 percent if rigid and fixed policies made flexible, opinion of employees without fear be ensured on the need of time through the employees' involvement and participation. The result shows that Hypothesis # 5 holds true.

DISCUSSION AND FINDINGS:

After getting interviews from respondents and analysis of data, the following observations have been found -

Training -

1. Training Need Assessment: Before the training, assessment is important to design proper training program. It is observed that there is lack of need assessment before the training. Most of respondents strongly disagreed and disagreed with the need assessment before the training.

2. Training Methods: Training plays an important role in enhancing the knowledge, skill and abilities of employees. The study denotes that 70 percent respondents have gone through the on the job training method.

3. Guidelines and Supervision: Time to time counseling and Guidelines helps to improve the performance of employees. Half of the respondents agreed that they were getting the guidelines from their supervisor time to time.

4. Adequate Training: It is observed that there is lack of adequate training for the respondents to perform well
because of short period training on various grades of employees. It was found that half of the respondents were not satisfied with the provision of adequate training to perform their task well.

5. **Training Program Well and Suitable**: It is observed that 35 percent the respondents agreed that the training programs are designed well and suitable whereas 30 percent respondents were neutral. So there is need to focus on designing training strategies.

**Career Advancement**

6. **Career Development Services**: It has been observed that in cooperative sugar organisation provided the career development services. 35 percent respondents were strongly agreed and agreed with the organisation offers career development services.

7. **Career Counseling**: The career counseling helps employees to achieve the individual goals and enhance the performance which directly affected to the organizational performance. 45 percent of respondents were satisfied with the career counseling. It means that the cooperative sugar organisations provided the career counseling to the employees.

8. **Internal Career Advancement**: Internal career advancement helps employees to motivate and maintain their performance towards the goal achievement. It is observed that 34 percent respondents are satisfied with the internal career advancement.

9. **Design of Career Development Program**: The proper design of career development program motivated to do well to employees and enhance the performance. From the study it is found that 39 percent of respondents were satisfied with the design of career development program and 37 percent respondents thinks that career development programs are goal achievement oriented.

**Motivation**

10. **Reward System**: Monetary and non monetary rewards always motivated employees for better performance. It is observed that only non monitory rewards were given to the employees. Also the study elicit that 46 percent respondents were agreed and strongly agreed that the organisation offers merit raises reward system. It means that the organisation provided the rewards for the better work and performance which act as boost to motivate to employee.

11. **Welfare and Recreational**: It has found that 45 percent respondents were agreed and strongly agreed that organisation encourage employees by offering welfare and recreational programs such as Child Scholarship, family healthcare, canteen, transportation etc. It has been also observed that child scholarships are not sufficient which are being provided to the employees. Only specific education program the scholarship is provided to the children of employees who are studying in engineering diploma or degree.

12. **Safety and Security**: The attention on Safety and Security of employees reduces the sickness and accidental percentage which increase the productivity and minimize the cost. Most of respondents are satisfied with the safety and security provided by organisation. 48 percent respondents were agreed and strongly agreed with the organisation pays an attention on employee safety, health and security. It means the cooperative sugar industry provided the attention on employees' safety and security.

13. **Adequate Time Off**: The adequate time off provided the space to the employees for their personal work and also to keep them fresh. The study elicits that leave facility including the vacation time, sick time whenever employees require that is provided regularly by the organisation which definitely enhance the better performance. 36 percent respondents were agreed with organisation provides adequate time off for employees. It means the Cooperative Sugar Industry provides the adequate time off to their employees.
14. **Transparency in Motivation**: Transparency in any program or activity keeps the clarity in employees which help to develop the team and motivated to better performance. It is found that the majority of respondents were satisfied with the transparency in motivation. 42 percent respondents were agreed with the organisation keeps the transparency in motivation programs.

**Communication**

15. **Clear and Consistent Communication**: Communication process has a great importance in any organisation in order to perform duties more effectively. Clear and consistent communication enhances the performance of employees. It is observed that 44 percent respondents agreed that the organisation communicates a clear, consistent vision and mission to employees.

16. **Regular Communication**: It has been observed that there is ambiguity in employees regarding the regular communication. 38 percent respondents were disagreeing where as 37 percent respondents were agreed with the regular communication done by the management authorities in order to get the job done from the employees.

17. **Willingness to Listen from Employees**: It has been found that in cooperative sugar industry, willing to listen from their subordinates is poor. The study elicits that 39 percent respondents were disagree, 37 respondents are agreed and 24 percent respondents were neutral.

18. **Accurate Timely Communication**: The message must be communicated in accurate shape to the employees so that output is received accordingly accurate and timely communication enhances the performance of the employees if it is conveyed properly. It is found that 41 percent respondents were agreeing that the organisation communicate information accurate and timely.

19. **Proper Channel of Communication**: Channel of communication in organisation is easy due to which most of the messages received in time especially at middle management level. Majority (46 percent) of respondents were satisfied with proper channel of communication.

**Policies**

14. **Feedback Policy**: Feedback is an input to any organisation in order to improve the performance of employees. Regular monitoring of feedback policy provides satisfaction to the employees. The study indicates 45 percent respondents were agreed that the organisation provides the opportunity provide the feedback.

21. **Opinion without Fear**: It has been observed that employees are not inspired to give opinion on the lower floor which may be harmful to the organisation in future.

22. **Policy Design and Administrated Well**: The proper design and administration of employee related policies create smooth and regular working condition which improves the overall performance of the organisation. Most of the respondents were happy with the proper design and administration of the employee related policies.

**Performance**

23. **Training**: Every organisation wants and tries to get maximum output from their employees. To get a maximum output they arrange different types of training programs. Training has a great impact on performance of the workers if it is given to them with modern training methods, on equal interval according to need, requirement and as per their designation which helps enhance the performance.

24. **Career Advancement**: Every employee thinks about their career. The career advancement has a great influence on employees. If the organisation assign the outsider person for career counseling, show the proper vision and realize the strength of employee, the employees will encourage and improving the performance and retain themselves the organisation.
LIMITATIONS and RECOMMENDATIONS:

Limitations -
The present study carried out in cooperative sugar industry. While carrying study number of restrictions faced including time limit, various standard procedures issued authorities and negative of support of respondents etc.

Recommendations -
1. Modern training methods and techniques play an important role in performing the tasks of employees. Due to variety of technology and changing environment of organisation, the combo application of on the job and off the job training should be conducted on regular basis to make the employee's involvement and participation more effective and better output.

2. Before the training there should be requirement of need analysis. There must be make a need analysis and adequate training as per grade should be provided to employees in order to enhance their technical ability.

3. There must be provision of career development services in different grade which are helpful for the promotion of employees. The management authorities should clear the internal career advancement which provides the goals to employees.

4. Motivation act as boost to perform well. There should be need of proper amalgamation of monetary and non-monetary motivation techniques which wrap most of employees.

5. There is provision of scholarship to only engineering students. There should be need to think about the talent of all type of category students and especially different scholarship for the Girls which will encourage all employees and coat the social responsibility.

6. Regular communication should be ensured by the authorities in order to make the employees more active and participative. The authorities should be listening the genuine problems of the employees and take care. Communication channels should not be too lengthy and keep the proper bridge.

7. There should be focus of feedback policy. Higher authorities should encourage the employees for opinion without fear. The management authorities should take the regular feedback of employees in the organisation.

8. Proper training system has a great impact on the performance of employees which ultimately leads to active involvement and participation of employees in an organisation.

9. Comprehensive incentives and reward systems act as boost and play the crucial role in showing good performance, so more will be the incentives, best will be the performance.

10. Policies should be flexible, as policies and performance of employees have close relationship with each other.

44 percent respondents think that organisation offers career advancement program helps to improve and retain the performance.

25. Motivation: The monetary and non monetary motivation play vital role in showing good performance. If the organisation offers the proper combination of financial and non financial motivation techniques to employees, they will prove better and show active participation in their work.

26. Communication: Accurate, clear and consistent communication from different authorities gives boost to the employees for showing good performance. If the organisation will be remove the gap and establish the proper link at each stage of employees will perform well and in time of the job which they have been tasked.

27. Policies: It has been found that half of the respondents were agreed with that policies and instructions have an effect on the performance of the employees. In organisation policies are being made at top level management and transferred to down level where the involvement and participation of employees is very less. If the management consider the senior employees view or representation of
CONCLUSION
Cooperative organisations play an important role in the growth and development of the rustic area. They are the main bone in economic development of rural region. Cooperative sugar organisations have not become very professional in their management approach as compared to private organisations. Apart from this many organisations have excellent performance track records and have managed to achieve desired results. However modern HR practices are neglected and management of cooperative sugar organisations failed to understand the strategic role of employee involvement and its importance in global business environment. Thus HR functions needs a fresh restoring so that employees inefficiencies and redundancy if any can be removed and improve the efficiencies of the organisations to the fullest extent. To maintain the performance and survive in the era of globalization cooperative organisation must involve and participate their employees in various tasks which create the genuineness and build up strong relationship with the organisation.

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ESSENTIAL PLATFORMS TO MAKE FARMING ACTIVITY
A LUCRATIVE OCCUPATION

Prashant S.Patil

ABSTRACT

The Rural and Agricultural development, the plight of farmers, removing of middlemen etc. are buzz words today for Policy makers, Politicians, Social workers, NGO’s, Conference Organisers etc. who are dealing with subject of agriculture. To improve the plight of farmers in India really what is needed is the views that are applied for manufacturing or service business, same should be considered for farming activity. Whenever profit % reduces or company comes in loss, that time industries and business companies take drastic measures to improve its conditions but this thing is not happening with farming, as there is no much scope in doing this at individual level of farmers because of limited control on influencing factors on agriculture. To boost the rural economy every aspect should be considered with economic point of view. The market in the country should grow the way it is. Government should not intervene into it. The majors to develop a platform for making farming a real business are study of market, reforms in education system, profitable price in leave of minimum support price (MSP), simplicity of the scheme for agricultural development, increasing participation of small farmers in trading through commodities exchanges, promotion of farmers producers organisation (FPO), Cooperative farming, Consolidation of Agricultural land etc.

KEY WORDS :- commodity exchanges, farmers' producers' organizations, profitable price, support mechanism.

INTRODUCTION:

The total land area of India is 2,973,190 Sq. Km. of which 70% of area comes under rural area which consists of 6, 40,867 villages. Out of this 5, 98,000 are inhabited villages. There are only 7,935 towns and 4,041 urban areas as per 2011 Census of India. Around 65% of total population lives in rural India. With the labour of these rural peoples, Indian food grain production increased from 50 million tonnes in 1950 to 264.38 million tonnes in 2013-14. The phenomenal success through green revolution transformed the country from a food deficit region to a food surplus nation. It was possible because of a coordinated effort by various Ministries of the Central and State Governments and private industries associated with agricultural development. Though the efforts were made to develop an efficient value chain, yet marketing of agricultural produce remained weakest link in Indian agriculture.

Activity of agricultural production in India suffers due to several factors. Over 75% farmers being small holders, they have very little surplus to sell. Whatever little surplus they grow, does not fetch better price in the local market, added in it is the heavy transportation cost that accrues to him due to small quantity. In the absence of remunerative prices, small farmers are not motivated to increase their production, particularly by investing in expensive external inputs. There are many small farmers who avail of credit from local money lenders or traders during the cropping season with heavy interest rates. All this makes activity of farming difficult to be called as business. Reason is though there is a production, there is no guarantee to sell it to a particular fixed price well above production cost which normally happens in other businesses.

Realizing the difficulties faced by the farmers in selling there produce for good price, the Government of India assured minimum support price for major food grains and established procurement centres for a few important crops like paddy and wheat in advanced states like Punjab and Haryana. State like Maharashtra is playing same role for cotton produce in the state.

It is feared that withdrawal of procurement system may
pull down the price, which may reduce the production. This highlights the problem of agricultural marketing in the country. In the absence of a fair and efficient marketing system, neither the farmers will get a good price for their produce nor the country could benefit effectively from procurement system.

PROBLEMS OF MARKETING AGRICULTURAL PRODUCE IN INDIA

Marketing of agricultural commodities suffers due to several factors. Following are the major problems encountered by farmers in marketing their produce:

**Seasonal production:** Most of the agricultural crops have seasonal production while the demand is spread all round the year. Therefore, abundance of supply is there in the market when the produce is harvested, natural phenomenon of it is fall in the price. The price starts rising again as the volume of supply drops after a few weeks or months. In the absence of storage facility or ability to stock their produce, most of the farmers sell the produce immediately after the harvest, earning lower income or even resulting in losses.

**Unpredictability about supply quality and quantity:** There happens to be large variations in the quality of the agricultural produce. Variation is in shape, size, colour, taste and nutritional composition, depending on the variety, weather, soil fertility, moisture availability, exposure to agro-chemicals and post-harvest handling. Observation has also been observed in timing and yield. This happens because production is dependent on nature, while the consumers expect certain standard quality produce all round the year. This makes it difficult to enter into a contract of selling for farmer.

**High cost of Transportation:** Most of the agricultural commodities are bulky and fragile. Fruits and vegetables are with 80 - 90% moisture content, which are required to be transported in loosely packed containers. Roads connecting to rural India are bumpy therefore they are prone to increase damage to agriculture produce in transportation. Refrigerated containers are necessary for avoiding wastage and retain freshness. It is expensive and beyond the reach of small farmers with small quantity.

**Short Shelf life:** Most of the fruits and vegetable are highly perishable and are subject to damage during harvesting, packing, storing and transportation. It is estimated that there has been 25 - 30% wastage in post harvest period. As a result, causing heavy loss to farmers, which can be reduced through careful handling, neat packing and better infrastructure of roads, cold storage and specialised vehicles for transportation.

**Lack of Storage and Grading facilities:** In the absence of proper storage facilities, either at the farm or around the market, farmers are compelled to sell the produce immediately after the harvest, when the prices are generally at the lowest level. If there is any opportunity to hold the stock for a few weeks, the inflow of the produce to the market would reduce and there would be a steady rise in the price. If these products are properly graded into different categories and packed in small packages of different weights, then the price realization can be higher by 15 - 20%, adding to the profit of farmers.

**Need for Credit Facilities:** Many farmers do not have the capacity to hold the stock and wait for better price, unless they get some advance cash against their stock, to settle pending debts and even to arrange grading and transportation. Facilities for availing loan for crop production can empower them to enhance crop yield and quality. Private money lender take undue advantage of non-availability of easy credit to farmers which leads to exploitation of farmers.

**Social and Political systems compulsion:**

Our society is divided into occupational sections what one section in the society wants, the other section of the society stands opposite to it, i.e. there are conflicting interests in the society. This is especially true related to agricultural sector. When the prices of the essential agricultural produce increases there lies a chance for the farming community to get a good return for their produce. But then the other sections of the society resist it and protests. Such kind of conflicting interests are becoming
hurdles for the development of rural community.
Political system is expected to be a medium of problem solving, but rather than that it is producing many problems. Instead of firm decisions on development, the political parties are taking short sighted view useful to serve their power seeking interests. Well known example of this is prices of onions and agitations over it. May it be then from the urban areas to reduce the prices and from rural areas against the reduction in the prices. In response to this the government does the clumsy work of importing the commodity or announcing minimum support price and purchasing centres to the commodity usually lately.
One section of the society is getting high income security like government employees and elected people representatives like MP’s and MLA’s, on the other hand the farming community is left with nature’s mercy and biased market situations to get their returns from. Other than agricultural commodities doesn’t face much price reductions though the cost of their input raw material reduces. e.g. when prices of raw cotton soured high in 2011, the prices of inner ware increased and doubled, but later when cotton prices reduced and became half of the 2011 prices, the inner ware prices were not reduced. This indicates biased nature of market for the agricultural commodities and other than agricultural commodities.
People concerned with agrarian economy has a hope with the new ruling party at the centre but so far in its few months tenure no good change or effects has been realised which we can say the remarkable one. Because of the recession kind of situation in the world market, the prices of the agricultural products especially the produce like cotton, soybean and sugar are currently low. Recently the natural environment for the crops largely remained hostile, while increasing the cost of production thereby reducing the margin left with the farmers. If the cash crops are facing this fate then average returns from food grains can be gassed for their poor ability to give returns.
If we compare the current prices of some of the commodities with the prices 40 years back then it can be easily observed that, commodity prices of agricultural produce has increased with less rate then other commodities and average salary of the government employees. This indicates that other classes of the society are more protected than farming community.

Table (A) : Comparative Prices of commodities in 1972 and 2014.

<table>
<thead>
<tr>
<th>commodity</th>
<th>1972 price/quintals</th>
<th>2014 price/quintals</th>
<th>Rise in price</th>
</tr>
</thead>
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<tr>
<td>Jowar</td>
<td>160</td>
<td>1450</td>
<td>9 times</td>
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<tr>
<td>Tur100</td>
<td>7300</td>
<td>73 times</td>
<td></td>
</tr>
<tr>
<td>Cotton</td>
<td>275</td>
<td>4,050</td>
<td>15 times</td>
</tr>
<tr>
<td>Gold (10 grams)</td>
<td>250</td>
<td>27430</td>
<td>109 times</td>
</tr>
<tr>
<td>Minimum salary of govt. employee</td>
<td>175 per month</td>
<td>12236.25 per month</td>
<td>70 times</td>
</tr>
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</table>

(Source: indiankanoon.org/doc/1054059 date 16/01/2015)

Table (B) : Comparative Prices of commodities in 1976 and 2014.

<table>
<thead>
<tr>
<th>commodity</th>
<th>1976 price/quintals</th>
<th>2014 price/quintals</th>
<th>Rise in price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paddy</td>
<td>160</td>
<td>1310</td>
<td>8 times</td>
</tr>
<tr>
<td>Wheat gram</td>
<td>100</td>
<td>1400</td>
<td>14 times</td>
</tr>
<tr>
<td>Gold (10 grams)</td>
<td>432</td>
<td>27200</td>
<td>63 times</td>
</tr>
<tr>
<td>Petrol (Rs.3.20/- Per lit.)</td>
<td>66/-</td>
<td>66/-</td>
<td>21 times</td>
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</table>

(Source: Reserve bank of India, District socio-statistics information bureau)
From the above table if we compare agricultural produce prices with other commodities like gold, petrol and average salary of the government employees, then we can see that prices of other things than agricultural produce increased manifolds. It indicates that farming is less remunerative than other businesses.

The sensex which was stable on 18000 for long time now rose to 26000 and at the same time incidences of farmers suicides are increased. Is this paradox due to our economic system or due to politics?

**Imperatives to make farming a business:**

The views that are applied while doing manufacturing or service business, same should be considered for farming activity. Whenever profit % reduces or company comes in loss, that time industries and business companies take drastic measures to improve its conditions but this thing is not happening with farming as there is no much scope in doing this because limited control on influencing factors on agriculture.

To boost the rural economy every aspect should be considered with economic point of view. The market in the country should grow the way it is. Government should not intervene into it. Fair competition is important in the complete market. The competition leads to quality. With quality every element in the link gets negotiable power. This controls the monopoly. This means scope should be given to the competition in the market. The resources from the rural areas should be used to develop entrepreneurship.

The role of Government should be to develop a support mechanism which should be dependent on economic model. Center and state Governments, marketing boards can play good role in it so that one section in the society will not encroach upon other sections interest. The fair play in the market will lead to speed up of the economy.

The Government of India has now introduced Model, Laws on agricultural marketing. Under these Laws, provision have been made to operate private market yards and direct purchase centres, such as e-Chaupals, Rayat Bazaars and Public Private Partnership in market yard management.

Market Standard Bureau has also been established to set standards for various produce and issue quality certificates for graded produce.

Several Marketing Boards and Federations have been established to provide marketing support to growers. Most of them are managed by the Government with varying degree of success but their sustainability without the involvement of the Government, is doubtful. Options are opening to supply to retailers or to other private entrepreneurs under the contract farming agreement. However, there is a long way to go before small farmers across the country become part of the value chain to get a fair deal.

As efficient marketing of agricultural produce has direct impact on the productivity and profitability of small farmers, it is necessary to address their marketing problems on priority.

**Study of Market:**

In this world of competition it is of high importance to study the market for the product that we produce. In the agricultural produce there is heavy fluctuation in the prices of commodities so bringing the produce at the right time in the market is important. Group farming, collective storage, collective bargaining is important for the purpose. Some of the important things related to market are -

Regular Market Survey on daily and weekly basis on demand and supply of various agricultural commodities with their price ranges and transmission through radio, TV, internet and newspapers, can give a clear idea about the demand and supply situations during different months and on different occasions. This data will be helpful to farmers and Agricultural Extension agencies to organise sowing of crops which can be harvested when the demand is high. Information of market prices on daily basis, can empower farmers to bargain for higher price.

**Education System:**

The present educational system in India is favorable for teachers but not to the students. There is a vast difference between what we need to study for business or for undertaking a good profession and what we actually study.
Education system is largely theory based and has got its use in cities and business areas. There is a need to increase focus on education which will increase and promote rural resource based development.

**Profitable Price in lieu of minimum support price (MSP):**

The National Commission on Farmers, chaired by Prof. M. S. Swaminathan Commission established to give recommendations to improve state of Indian farmer, recommended 50% hike on the price of the agricultural commodity over the cost incurred to produce it. To bring this thing into practice the state government like Haryana prepared a report and demanded to the central government for profitable price instead of Minimum Support Price. If the other state government also pursue the same to the central government and work cohesively then with central and state government’s contribution a scheme could be brought to give fair prices to farmers especially for staple food crops. To reduce the economic burden on the government this scheme should be applied to farmers according to their percentage of sowing area for that crop in a region for that season.

**Simplicity of the scheme for Agricultural Development:**

Schemes for the development of farmers should be simple to bring into action. e.g. Scheme for developing water resources like well, Farm Lake in the farm land is linked with Mahatma Gandhi Rojgar Yojna Scheme. Getting labours for this scheme is difficult at many places and it becomes herculean task to get the project done. So reforms should be made to make scheme simple and easily implementable. The subsidies for scheme like polyhouse/greenhouse erection project need to distribute immediately after initial sanctions. Delays in it makes farmer to bear cost of interest on the loan amount.

**Increase in protected agricultural practice:**

Protected agricultural practice like polyhouse and greenhouse farming will increase more assured output from agricultural as it can more precisely regulates inputs and environment of the farming. This agricultural practice will generate more guaranteed returns to farmers because of the increased yield. So government has to bring more subsidies and schemes of development for this.

**Increasing Participation of small farmers in trading through commodities exchanges:**

Commodity exchanges can play a role in giving fair price to the produce of the farmers. Schemes have been designed by the Multi Commodity Exchange (MCX) and National Commodities Derivatives Exchanges (NCDEX) so that small farmers could participate in futures contract for selling their goods. To make this effective and increase the participation of farmers actually, means should be identified constantly.

**Promotion of Farmers Producers Organisation (FPO):**

To maintain economic viability in the business, consideration of economies of scale is important. Farmers producers organization can make this happen. Farmers can come together to form a business company for trading or processing their produce. In Maharashtra, Maharashtra competitive agricultural development project (MACP) and NABARD are trying to promote Farmers Producers Organisation. The World Bank also contributing its fund for this purpose. Farmers need to avail this facility.

**Promotion of Agricultural Insurance:**

For small and marginal farmers and all the farmers who are taking yearly crops there is need of insurance policy against risk of loss due to pests, natural calamities, draughts etc. A different plans should be evolved to suit to different cropping patterns and situations.

**Foraying Possibilities of Availing Carbon Credits scheme:**

It is known that carbon credits could be earned by plantation of trees having long life. Like trees three monthly and more duration crops also sucks the carbon in a similar way as that of trees. Then why not carbon credits be earned through short duration crops? Especially if the farming is done through man and animal labour then this thing should be considered prominently.

**Cooperative Farming:**

Strength is in Unity. This proverb is applicable in practice in farming. Owing commonly the implements needed for farming, collective purchasing of fertilizers, pesticides and other inputs, labour exchange, dealing with markets
collectively especially with same agricultural produce, could result into various economies, and benefits of market. Therefore cooperative farming should be promoted with avoiding its drawbacks and with some means to control its functioning effectively and efficiently.

Consolidation of Agricultural Lands:
Due to small and marginal land holdings, there happens to be limitations on capital investment. Also effective farm mechanization is not possible due to small holdings. In India small and marginal farmers are large in numbers and therefore some scheme should be brought to consolidate land of nearby farmers and making a consortium of them for effective farming. Terms of this consortium should be flexible so that farmers who wants to take part could get agreeable terms for participation. Participation of nearby adjacent farmers is must for this scheme. The consolidated land under this scheme will be treated as a one unit. With such consolidation the prevailing problems like good access roads to farms, problems in getting water for irrigation from big irrigation schemes, cooperative irrigation schemes etc. these could be solved largely. The percentage of the land will be same as that of earlier of consolidation. The benefit will be by taking the same crop in the entire field of consolidated land and getting economies of scale in entire activity of farming.

CONCLUSION
For the betterment of farming community, the occupation of farming needs to be seen as business. Because of lack of capital among small and marginal farmers, vagaries of monsoon, and some of the unavoidable perils, support mechanism from the government is imperative. Depending on the regions need and demand, these support system should be evolved. Support system with legal and administrative framework could result into sound platforms where farming community could play its good role. It will result into reduction of losses to the farming community, making it more assured for getting good returns on investment.

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IMPORTANCE OF HRM PRACTICES IN HOSPITAL INDUSTRY

ABSTRACT

Today due to the technological advancement, all the industries are turning into a World class standard. Service industries are also not the exception for this rule. ‘Hospital’ one of the oldest service industries, for its management of human resources and delivery of quality medical services to the society it is very much necessary to have effective HR practices. In every large hospital (more than 30 beds) there is a separate HR department which is responsible for the performance of the hospital staff. The study shows that effective human resources management has a strong impact on healthcare quality and improving the performance of hospital’s staff.


INTRODUCTION:

Human Resource management plays an important role in the Healthcare sector. It is concerned with the development of both individuals and the organization in which they operate. The health care sector is increasingly under pressure to operate more efficiently and effectively. Day to day it has to face the challenges and to face these Challenges the most crucial factor is the “Human Resources” which includes managers, professionals, specialists, nurses etc. working in the health care sector. The way people are being managed, motivated and rewarded and the way in which they develop themselves can make the difference between a well-performing organization and a poor or mediocre performing organization. Therefore, human resource management (HRM) is a key management task in health care and other service sectors as here what the employees’ experience that has been experienced by the Customers i.e. the Patients.

DEFINITIONS OF HRM-

According to Prof. Wendell L. French, University Of Washington, “HRM is the term increasingly used to the philosophy, policies, procedure and practices related to the management of people working in an organization” Bratton and Gold (1999:11) interpreted the HRM as “That part of the management process that specializes in the management of people in work organizations”. HRM emphasizes that employees are critical to achieving sustainable competitive advantage, that human resources practices need to be integrated with the corporate strategy and that human resource specialists help organizational controllers to meet both efficiency and equity objectives.

Prof. Gary Dessler, Florida International University states that “Human Resource management is the process of acquiring, training, appraising and compensating employees and attending to their labor relations, healthy and safety and fairness Concerns”.

RESEARCH METHODOLOGY

This paper is based on the on-going academic research work that is Secondary data. Data and information are collected through the libraries, recognized journals both local and international.

Method of research is individual's Conclusion based upon the information collected.

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Contact No.: 9881522211 Email Id: drdanielpenkar@rediffmail.com
FUNCTIONS OF HRM-

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ROLE OF HRM-

HRM roles include:

- Apply quality & productivity principle to improve HRM function.
- Make policies clear, consistent and complementary or 'synergistic'.
- Facilitate implementation of quality & productivity interventions. Attention to such Functions as staffing, training, appraisal & compensation to ensure fit with organizations goals: if goals change, function need to change.

HRM PRACTICES-

Definition- Schuler and Jackson defined HRM practices as a system that attracts, develops, motivates, and retains employees to ensure the effective implementation and the survival of the organization and its members.

HRM practices according to Delery & Doty, is a set of internally consistent policies and practices designed and implemented to ensure that a firm’s human capital contribute to the achievement of its business objectives.

So, we concluded that HRM practices relate to specific practices, formal policies, and philosophies that are designed to attract, develop, motivate, and retain employees who ensure the effective functioning and survival of the organization.

A review of the literature demonstrates five common practices that have been consistently associated with are:

1) Innovation
2) Encompassing performance appraisal
3) Career management
4) Reward system
5) Training

HRM PRACTICES IN HOSPITAL INDUSTRY OR HEALTHCARE SECTOR-

Hospitals are the key element in any health care system. Health care is a service every person needs sooner or later. These institutions deliver a whole range of specialized services. Many hospitals also have a role to play in biomedical research & in teaching, training of health professionals moreover, hospitals have a key role in health promotion, environmental concern social human resources, and the creation of patient oriented service & management.

Human resource managers (amongst other) recognize that investment in staff is just as important as investment in plant and machinery. Effective human resource management is about enabling each and every member of staff to reach his or her potential and make key contribution towards company survival and growth in an Increasingly competitive world.

For ensuring quality of operations at the hospital, training programmes are conducted for the doctors and nurses. Training is related to both medical profession and management. It assists the staff to abide by the quality-related protocols. Management training on cost effectiveness, time management, etc., helps the nurses understand the corporate culture at the hospital and thus ensure that they maintain quality. The rewards and recognition policy of awarding 'Best Doctor/Nurse of the Month' also goes very well with the front-line staff. This award is given irrespective of the category of the doctor (salaried, retainer, or empanelled). The doctors and nurses commented that such initiatives taken by the management of the hospital motivate them to perform better. These awards act as drivers of improved service delivery and line staff do a good job.

IMPORTANCE OF HRP PRACTICES IN HOSPITAL INDUSTRY-

HRM is supposed to increase job satisfaction. The finding from the research indicates that HRM does affect job and client satisfaction, and showed that the correlations between HRM and client satisfaction were generally rather low.
Employees' satisfaction with their organization is a better predictor of client satisfaction than job satisfaction. Job-related training showed no relation with job satisfaction, but a clear relation with client satisfaction, while leadership style of their manager had a significant relation with job satisfaction, and a more limited one with client satisfaction. The study recommend a regular performance reviews for job satisfaction and client satisfaction, emphasizing that employee and client satisfaction can also conflict: more regular schedules increase employee satisfaction, but decrease client satisfaction.

If HR will become a partner with senior and line managers in strategy executions, it should become an expert in the way work is organized and executed, delivering administrative efficiency to ensure that costs are reduced while quality is maintained, it should become a champion for employees vigorously representing their concern to senior management and at the same time working to increase employee’s contribution, that is employees commitment to the organization & their ability to deliver results and finally HR should become an agent of continuous transformation, shaking processes and a culture that together improve an organization's capacity to change.

CONCLUSION
For the efficient and effective delivery of medical services the management of Human resources is the most crucial factor. By this way the aim of patient satisfaction can be achieved. Most of the literature shows that it is very important to have human resources management in the hospital set up to achieve the goals of health care organizations. So, the practices of Human Resource Management are the need of the Modern Hospitals.

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ONLINE BUYING BEHAVIOR OF YOUTH IN PUNE & NAGPUR CITY: AN EMPIRICAL STUDY

Vinay Kumar

ABSTRACT

In India the shopping has been taking a turning point. The shoppers are finding it convenient to shop online, and the trend is upward. The present paper intends to find the relationship between education and income of consumers and the products they buy. This study is basically based on primary data collected from the youths of Nagpur and Pune cities of Maharashtra. The data is collected through structured questionnaire. In this research descriptive design is used. For the selection of youth convenient sampling is used. The data has been collected from 312 youths of Pune (205) and Nagpur (107). The study was conducted in the month of February to May 2014. For the analysis of data pivot table of MS Excel has been used. The study finds and concludes that the major buyers are highly educated (post graduates). Major shoppers are having lower income groups (less than Rs. 10000 per month).

KEY WORDS: online buying behavior, youth, Nagpur, Pune.

INTRODUCTION


Consumer behaviour is the study of how individuals, groups and organizations select buy, use and dispose of goods, services, ideas or experiences to satisfy their needs and wants. (Keller, 2009). Consumer Behaviour may be defined as “the interplay of forces that takes place during a consumption process, within a consumers’ self and his environment. - This interaction takes place between three elements viz. knowledge, affect and behaviour; - It continues through pre-purchase activity to the post purchase experience; - It includes the stages of evaluating, acquiring, using and disposing of goods and services” (Sahney, 2012). Other definitions of Consumer Behaviour

NEED AND IMPORTANCE OF THE STUDY

The online shopping among youth has been increasing in recent times. 40 percent of youth (which comprise of 50 percent e-retailing consumers) are between the age group of 25-34. Since majority of the business comes from the youth and it is expanding day by day, hence this study intends to study the relationship between demographic parameters like education and income and products they buy.

OBJECTIVES OF THE STUDY

1. To Study The Relationship Between Education Of Consumers And The Products They Buy.
2. To Study The Relationship Income Of Consumers And The Products They Buy.

RESEARCH METHODOLOGY

This study is basically based on primary data collected from the youths of Nagpur and Pune cities of Maharashtra. The data is collected through structured questionnaire. In this research descriptive design is used. For the selection of youth convenient sampling is used. The data has been collected from 312 youths of Pune (205) and Nagpur (107). The study was conducted in the month of February to May 2014. For the analysis of data pivot table of MS Excel has been used. The definition of youth in India is 18-35 years of age group.
LIMITATIONS OF THE STUDY:

The study has following limitations:

1. The study is limited to youths of Pune and Nagpur, the conclusions cannot be applied to all cities, and of course it can be applied to the cities, if similar conditions are prevailed.

2. Study is limited to some of the products, it is not comprehensive.

Even though the study has limitations it derives some useful recommendations based on the findings.

REVIEW OF LITERATURE

Online consumer behavior is new dimension to age long existing consumer behavior. One may not be finding sufficient and well established theories on this new born arena. Different researchers however studied this new dimension for a very long time. In this study the researcher concentrates mainly on the various studies done by previous researchers pertaining to the interplay between perceived risk and trust during five steps of buying behavior in online shopping. C. M. K. Cheung, 2003 study makes an important input into the growing number of research papers on online customers’ behavior. The study analyzes online consumer behavior by proposing a research framework with three building blocks (intention, adoption and continuance). The authors find that most studies investigate intention and the adoption of online shopping, whereas continuance behavior is under-researched. Moreover, the study uses these building blocks (intention, adoption, and continuance) to analyze online consumer behavior as a framework. Constantinides, 2004 notes that most of the research and debate focuses on the recognition and analysis of factors that can influence the behavior of online consumers. C. M. K. Cheung, 2003 study online consumer behavior and explore how consumers adopt and use online purchasing. In particularly, the emphasis is on the antecedents of consumer online purchasing intention and adoption C. M. K. Cheung, 2003. Understanding the system of online shopping and the behaviors of the online consumers is crucial for practitioners to compete in the fast expanding virtual marketplace; Constantinides, 2004. G. Lohse, 2000 explains that understanding online consumer behavior is also important as it may help companies clarify their online retail strategies for web site design, online advertising, market segmentation and product variety
Table 1: Product Analysis Education wise

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<td>0(0)</td>
<td>0(0)</td>
<td>0(0)</td>
<td>0(0)</td>
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</tr>
<tr>
<td></td>
<td>5001- 10000</td>
<td>0(0)</td>
<td>2(1)</td>
<td>0(0)</td>
<td>2(1)</td>
<td>0(0)</td>
<td>0(0)</td>
</tr>
<tr>
<td></td>
<td>10001 &amp; above</td>
<td>0(0)</td>
<td>0(0)</td>
<td>0(0)</td>
<td>1(0)</td>
<td>0(0)</td>
<td>0(0)</td>
</tr>
<tr>
<td></td>
<td>Not Purchased</td>
<td>5(5)</td>
<td>11(5)</td>
<td>7(7)</td>
<td>13(6)</td>
<td>7(7)</td>
<td>13(6)</td>
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<tr>
<td></td>
<td>Total</td>
<td>9(8)</td>
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<td>23(11)</td>
</tr>
<tr>
<td></td>
<td>Grand Total</td>
<td>107(100)</td>
<td>205(100)</td>
<td>107(100)</td>
<td>205(100)</td>
<td>107(100)</td>
<td>205(100)</td>
</tr>
</tbody>
</table>

Source: Field survey
The table-1 reveals that in Nagpur those who buy clothing in the price range of Rs. 501-1000 are postgraduate. Maximum percentage is (10). The maximum shoppers in Pune who buy clothing in the price range of Rs. 501-1000 are postgraduate. Maximum percentage is (18). The shoppers of Nagpur buy footwear in the price range of Rs. 1001-2000 are postgraduate. Maximum percentage is (10). In Pune the shoppers who buy footwear in the price range of Rs. 501-1000 are postgraduate. Maximum percentage is (12). The postgraduate shoppers of Nagpur buy Fashion Accessories in the price range of Rs. 0-500. Maximum percentage is (12). In Pune Fashion Accessories in the price range of Rs. 0-500 is bought by postgraduate shoppers. Maximum percentage is (12). The shoppers of Nagpur buy Books/Magazines in the price range of Rs. 501-1000 and they are postgraduate. Maximum percentage is (19). The shoppers of Pune buy Books/Magazines in the price range of Rs. 0-500 and they are postgraduate. Maximum percentage is (18). Postgraduates buy Mobile phones/Tablets in the price range of Rs. 5001-10000 in Nagpur. Maximum percentage is (10). In Pune too Postgraduates buy Mobile phones/Tablets in the price range of Rs. 10000 and above. Maximum percentage is (11).

Table 2: Product Analysis Income wise

<p>| Income Level | Products | Cities | Nagpur | Pune | Nagpur | Pune | Nagpur | Pune | Nagpur | Pune | Nagpur | Pune | Nagpur | Pune | Nagpur | Pune | Nagpur | Pune | Nagpur | Pune |
|--------------|----------|--------|--------|------|--------|------|--------|------|--------|------|--------|------|--------|------|--------|------|--------|------|--------|------|--------|------|--------|------|--------|------|--------|------|--------|------|--------|------|
|              |          | Less than 1000 |       |      |        |      |        |      |        |      |        |      |        |      |        |      |        |      |        |      |        |      |        |      |        |      |        |      |        |      |        |      |        |      |        |      |
|              |          | 0-500   | 2(2)  | 8(4) | 2(2)  | 11(5) | 7(7)  | 8(4) | 7(7)  | 19(9) | 0(0)  | 0(0)  |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|              |          | 501-1000| 7(7)  | 16(8) | 0(0)  | 10(5) | 3(3)  | 5(2) | 3(3)  | 4(2)  | 1(1)  | 0(0)  |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|              |          | 1001-2000| 3(3)  | 8(4)  | 3(3)  | 10(5) | 2(2)  | 4(2) | 2(2)  | 1(0)  | 0(0)  | 1(0)  |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|              |          | 2001-5000| 3(3)  | 3(1)  | 3(3)  | 4(2)  | 0(0)  | 1(0) | 1(1)  | 1(0)  | 1(1)  | 2(1)  |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|              |          | 5001-10000| 0(0)  | 1(0)  | 1(1)  | 0(0)  | 0(0)  | 0(0) | 0(0)  | 0(0)  | 4(4)  | 5(2)  |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|              |          | 10001 &amp; above | 0(0)  | 0(0)  | 0(0)  | 0(0)  | 0(0)  | 0(0) | 0(0)  | 0(0)  | 5(5)  | 6(3)  |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|              |          | Not Purchased | 9(8)  | 25(12)| 15(14)| 26(13)| 12(11)| 43(21)| 11(10)| 36(18)| 13(12)| 47(23)|      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|              |          | Total       | 48(45)| 67(33)| 48(45)| 67(33)| 48(45)| 67(33)| 48(45)| 67(33)| 48(45)| 67(33)|      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |</p>
<table>
<thead>
<tr>
<th>Income Level</th>
<th>0-500</th>
<th>501-1000</th>
<th>1001-2000</th>
<th>2001-5000</th>
<th>5001-10000</th>
<th>10001 &amp; above</th>
<th>Not Purchased</th>
<th>Total</th>
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<td>10(9)</td>
<td>9(8)</td>
<td>6(6)</td>
<td>2(2)</td>
<td>0(0)</td>
<td>15(14)</td>
<td>26(24)</td>
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<td>1000-20000</td>
<td>7(3)</td>
<td>17(8)</td>
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<td>6(3)</td>
<td>0(0)</td>
<td>1(0)</td>
<td>22(11)</td>
<td>56(27)</td>
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<td>9(4)</td>
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<td>12(11)</td>
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<td>3(3)</td>
<td>7(7)</td>
<td>30(28)</td>
<td>56(27)</td>
</tr>
<tr>
<td>5001-10000</td>
<td>4(4)</td>
<td>6(4)</td>
<td>9(4)</td>
<td>1(0)</td>
<td>0(0)</td>
<td>3(3)</td>
<td>12(13)</td>
<td>26(24)</td>
</tr>
<tr>
<td>10001 &amp; above</td>
<td>6(6)</td>
<td>0(0)</td>
<td>0(0)</td>
<td>0(0)</td>
<td>0(0)</td>
<td>0(0)</td>
<td>26(24)</td>
<td>56(27)</td>
</tr>
<tr>
<td>Not Purchased</td>
<td>15(14)</td>
<td>22(11)</td>
<td>21(20)</td>
<td>26(13)</td>
<td>30(28)</td>
<td>12(11)</td>
<td>34(17)</td>
<td>26(24)</td>
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<tr>
<td>Total</td>
<td>26(24)</td>
<td>56(27)</td>
<td>26(24)</td>
<td>56(27)</td>
<td>26(24)</td>
<td>26(24)</td>
<td>26(24)</td>
<td>56(27)</td>
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Contd...

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Products</th>
<th>Cities</th>
<th>Nagpur</th>
<th>Pune</th>
<th>Nagpur</th>
<th>Pune</th>
<th>Nagpur</th>
<th>Pune</th>
<th>Nagpur</th>
<th>Pune</th>
<th>Nagpur</th>
<th>Pune</th>
<th>Nagpur</th>
<th>Pune</th>
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<tr>
<td>0-500</td>
<td>5(5)</td>
<td>4(2)</td>
<td>1(1)</td>
<td>3(1)</td>
<td>4(4)</td>
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<td>11(10)</td>
<td>8(4)</td>
<td>4(4)</td>
<td>10(5)</td>
<td>5(5)</td>
<td>10(5)</td>
<td>2(2)</td>
<td>2(1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1001-2000</td>
<td>4(4)</td>
<td>8(4)</td>
<td>1(1)</td>
<td>11(5)</td>
<td>3(3)</td>
<td>7(3)</td>
<td>1(1)</td>
<td>9(4)</td>
<td>1(1)</td>
<td>1(0)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2001-5000</td>
<td>3(3)</td>
<td>4(2)</td>
<td>2(2)</td>
<td>5(2)</td>
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<td>2(1)</td>
<td>2(2)</td>
<td>3(1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5001-10000</td>
<td>0(0)</td>
<td>4(2)</td>
<td>0(2)</td>
<td>2(1)</td>
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<td>0(0)</td>
<td>0(0)</td>
<td>4(4)</td>
<td>5(2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10001 &amp; above</td>
<td>0(0)</td>
<td>1(0)</td>
<td>0(0)</td>
<td>0(0)</td>
<td>0(0)</td>
<td>0(0)</td>
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<td>4(4)</td>
<td>7(3)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not Purchased</td>
<td>8(7)</td>
<td>19(9)</td>
<td>11(10)</td>
<td>27(13)</td>
<td>13(12)</td>
<td>32(16)</td>
<td>12(11)</td>
<td>17(8)</td>
<td>12(11)</td>
<td>37(18)</td>
<td></td>
<td></td>
<td></td>
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<td>Total</td>
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<td>21(10)</td>
<td>9(8)</td>
<td>21(10)</td>
<td>9(9)</td>
<td>21(10)</td>
<td>9(8)</td>
<td>21(10)</td>
<td>9(8)</td>
<td>21(10)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table-2 it exhibits that the shoppers of Nagpur whose monthly income is between 10000-30000 buy clothing in the price range of 1001-2000. Maximum percentage is (8). The shoppers of Pune whose monthly income is between Rs. 10000-30000 buy clothing in the price range of Rs. 1001-2000. Maximum percentage is (7). The shoppers of Nagpur buy footwear in the price range of Rs. 1001-2000 and the income of shoppers is Rs. 10000-30000. Maximum percentage is (11). The shoppers of Pune buy footwear in the price range of Rs. 2001-5000 and the income of shoppers is Rs. 10000-30000. Maximum percentage is (6). The shoppers having the monthly income between Rs. 10000-30000 in Nagpur buy Fashion Accessories in the price range of Rs. 0-500. Maximum percentage is (7). The shoppers having the monthly income between Rs. 10000-30000 in Pune buy Fashion Accessories in the price range of Rs. 0-500. Maximum percentage is (7). The shoppers of Nagpur buy Books/Magazines in the price range of Rs. 0-500 and the income of shoppers is Rs. 0-10000. Maximum percentage is (10). In Nagpur the shoppers buy Mobile phones/Tablets in the price range of Rs. 5001-10000 and the monthly income of shoppers is Rs. 10000-30000. Maximum percentage is (7). In Pune the shoppers buy Mobile phones/Tablets in the price range of Rs. 10000 and above and the monthly income of shoppers is Rs. 10000-30000. Maximum percentage is (9).

**FINDINGS**

1. It is found that major shoppers purchase the products like clothing, footwear, fashion accessories, books, mobile phones/tablets.

2. Again it is found that the shoppers buy the products in lower price ranges (Rs. 500-1000), except mobile (Rs. 10000 and above) in both the cities.

3. The study found that majority of buyers are post graduates.

4. It is found that the majority of shoppers are in the income range of less than Rs. 10000 per month.

**CONCLUSIONS**

The present study reveals that the major products bought by the shoppers of Pune and Nagpur are- clothing, footwear, fashion accessories, books, mobile phones/tablets. The major shoppers buy products in lower price ranges (Rs. 500-1000), except mobile (Rs. 10000 and above) in both the cities. Major buyers are highly educated.
(post graduates). The majority of shoppers are from lower income groups (less than Rs. 10000 per month). Education has shown significant association to internet retailing. It is noted that respondents are sufficiently educated, falling in the category of graduates and above. Again the respondents constitute the personal computer literate population with higher exposure and awareness of internet. Although, the population makes versatile use of various online applications such as emailing, messaging, online gaming, information research etc. Annual household income affects internet retailing adoption. Higher income signifies people of higher age group. Lower monthly income signifies the people of lower age group. In the current study the lower income group found to be major shoppers.

REFERENCES

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10. IBEF. (2013). The rise and rise of E-commerce in India.
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ABSTRACT

The present paper makes an attempt to study the growth of credit deployed by the Regional Rural Banks (RRBs) in India vis-a-vis Assam Gramin Vikash Bank (AGVB) for the period of eight years i.e. from 2006 to 2013. In order to conduct the study, various parameters like total advances, priority and non-priority sector advances gross NPA, advances per branch and employee have been incorporated. Analysis of data has been made by employing Compound Annual Growth Rate, Annual Growth Rate, CV, regression coefficient, R2 and least square trend equation. The study revealed that growth of average total advances of Regional Rural Banks in India is found to be higher as compared to Assam Gramin Vikash Bank. Similarly, growth of both priority sector and non priority sector advances of Regional Rural Banks are also better than Assam Gramin Vikash Bank. Moreover, gross NPA of both Regional Rural Banks and Assam Gramin Vikash Bank has been increasing over the years. But gross NPA to advance ratio indicates that Assam Gramin Viaksh Bank has been able to maintain better quality advances during the period. More particularly, Assam Gramin Viaksh Bank has also been able improve the branch and employee productivity.

KEY WORDS -- Credit, Growth, NPA

INTRODUCTION

The development of a nation or even region is directly linked with the development of banking sector and the effective performance of banks in the sphere of credit deployment is one of the most important factors attributable to the status of development. The development, among many other factors, is also contingent upon the credit deployment by banks to a considerable extent. Reddy (1987) also observed that without efficient credit deployment by banks development cannot take place in any state or country. The credit provided by financial institutions in rural areas enabled the villagers better cultivation, establishment of small scale industries and expansion of other services to root out the poverty, unemployment etc. which pervaded the villages of India (Kaye, 2006). In the early 70s, the Government of India observed that despite a wide banking network, a critical gap still existed in meeting the credit needs of the rural poor. In search of alternative credit agency, the Government appointed a working group on rural credit under the Chairmanship of M. Narasimham in July 1975. The Committee observed that the cost structure of commercial banks, the attitude of bank employees and lack of professional approach in the co-operative credit system were the main reasons of inadequacy of rural credit. The committee recommended to create a new set of rural oriented banks. Accordingly, in 1975 first Regional Rural Banks was setup to spread banking facilities in rural areas, mobilize saving from rural people, who does not use this money anywhere and deploy them at that time, when they need (Uddin, 2003).

Regional Rural Banks (RRBs) were originally allowed to lend only to the target groups comprising of small and marginal farmers, landless laborers, rural artisans, and other weaker sections of the society (Acharya and Mohanty, 2006). But several studies on credit deployment performance of Regional Rural Banks in India revealed that there exists gap in channelization of credit in terms of time and sufficiency.
Availability of timely credit at affordable rate of interest is the prerequisite for improving livelihood of the people of rural areas and in acceleration of rural development (Singh, 2009). Having this backdrop, present study makes an attempt to study the credit deployment performance of RRBs in India vis-à-vis Assam Gramin Vikash Bank.

**REVIEW OF LITERATURE**

Since inception, the performance of RRBs has attracted the attention of policymakers, academician and researcher. The literatures on the performance of RRBs are based on different financial institutions, time period and geographical areas. Kalkundrikar (1990) analysed that RRBs have contributed substantially in the economic development of Karnataka during 1976-1982. The study conducted by Shekhar (1997) revealed that credit deployment performance of RRBs in Bihar was significant but due to poor recovery position these banks suffered losses. Satyanarayana and Rafathunnisa (2000) found that relative share of RRBs in direct finance to agriculture has improved substantially over the years. However, Rathore (2004) revealed the fact that Avadh Gramin Bank has failed to channelize credit adequately in rural areas during 1991-2003. Subsequently, Mishra and Rao (2006) found that advance and overdue of RRBs in Orissa on both farm and non-farm sector have increased mainly due to misutilization of bank loan. Bhaduri (2009) highlighted that recovery performance of regional rural banks in India improved during 1975-2003. Similarly, findings of Agrawal and Kumar (2009) found that credit to agricultural and allied activities of Regional Rural Bank have increased during 2002-05. Jha (2009) discovered that there has been significant increase in the access of rural cultivators to institutional credit especially. Kaye (2012) found that loan of Arunachal Pradesh Rural Bank could able to generate employment, enhanced income and standard of living of tribal beneficiaries during 2005-09. Kashyap et al (2013) observed that growth of priority sector advances during 2006-2013 of Assam Gramin Vikash Bank were by and large satisfactory. Thus, the review of related literature made on different institutions and states indicates that growth of total advance of RRBs of has been increased over the years.

**OBJECTIVES OF THE STUDY**

1) To analyse category wise growth rate of advances of Regional Rural Banks in India vis-à-vis Assam Gramin Vikash Bank from 2006-2013.

2) To compare the NPA position of Regional Rural Banks in India vis-à-vis Assam Gramin Vikash Bank during the period under consideration.

3) To analyse branch and employee productivity in the sphere of credit deployment of Regional Rural Banks in India vis-à-vis Assam Gramin Vikash Bank.

**DATA AND METHODOLOGY**

The present study is based on secondary data collected from Key Statistics of Regional Rural Banks, NABARD and Annual Reports of Assam Gramin Vikash Bank from 31st March 2006 to 31st March 2013. The performance of RRBs vis-à-vis AGVB in credit deployment has been analyzed based on different parameters, namely, total advance, advance per branch, advance per employee, category wise advance and gross NPA. The present study incorporates average of all RRBs on selected parameters. The average of all RRBs in India on a particular parameter is computed by dividing the value of that parameter by the number of RRBs in India of the year concerned. Apart from selected ratios, different statistical techniques like, compound annual growth rate (CAGR), annual growth rate (AGR), mean, CV and coefficient of determination have been used. Further least square trend equation has been applied for estimating the future trend values.

**BRIEF PROFILE OF BANK**

Assam Gramin Vikash Bank came into existence on 12th January 2006 as an outcome of the merger of four RRBs in Assam, namely, Pragjyotish Gaonlia Bank, Lakhimi Gaonlia Bank, Cachar Gramin Bank and Subansiri Gaonlia Bank. The operational area of Assam Gramin Vikash Bank covers 25 districts out of 27 districts of Assam. The bank operates mainly in rural areas of these 25 districts through a wide network of 374 branches scattered over rural and urban areas of the state.
ANALYSIS AND DISCUSSION

A perusal of Table 1 reveals that average total advances of RRBs in India and total advances of Assam Gramin Vikash Bank have been increasing over the years.

### Table 1: Gross Advances of RRBs in India vis-à-vis Assam Gramin Vikash Bank

<table>
<thead>
<tr>
<th>Year (as on 31st March)</th>
<th>Average of all RRBs in India (in crore)</th>
<th>AGR (%)</th>
<th>Assam Gramin Vikash Bank (in crore)</th>
<th>AGR (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>298.59</td>
<td>--</td>
<td>854.08</td>
<td>--</td>
</tr>
<tr>
<td>2007</td>
<td>505.13</td>
<td>69.17</td>
<td>1047.66</td>
<td>22.67</td>
</tr>
<tr>
<td>2008</td>
<td>655.38</td>
<td>29.74</td>
<td>1224.15</td>
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</tr>
<tr>
<td>2009</td>
<td>788.40</td>
<td>20.30</td>
<td>1399.05</td>
<td>14.29</td>
</tr>
<tr>
<td>2010</td>
<td>1009.99</td>
<td>28.11</td>
<td>1618.23</td>
<td>15.67</td>
</tr>
<tr>
<td>2011</td>
<td>1206.31</td>
<td>19.44</td>
<td>2072.83</td>
<td>28.09</td>
</tr>
<tr>
<td>2012</td>
<td>1419.33</td>
<td>17.66</td>
<td>2601.56</td>
<td>25.51</td>
</tr>
<tr>
<td>2013</td>
<td>2184.95</td>
<td>53.94</td>
<td>3113.53</td>
<td>19.68</td>
</tr>
<tr>
<td>CAGR (%)</td>
<td>32.89</td>
<td></td>
<td>116.96</td>
<td></td>
</tr>
<tr>
<td>Regression Coefficient</td>
<td></td>
<td></td>
<td>156.85</td>
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</tr>
<tr>
<td>R2</td>
<td>0.911</td>
<td></td>
<td>0.939</td>
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</tr>
<tr>
<td>Projected Value for 2016</td>
<td>2529.04</td>
<td></td>
<td>3780.44</td>
<td></td>
</tr>
<tr>
<td>Projected Value for 2017</td>
<td>2762.97</td>
<td></td>
<td>4094.14</td>
<td></td>
</tr>
</tbody>
</table>

Note: Based on data obtained from Key Statistics of Regional Rural Banks, NABARD and Annual Report, Assam Gramin Vikash Bank (Various Issues)

It is observed that value of regression coefficient of AGVB is higher as compared to RRBs where the values of coefficient of determination imply that more than 93 percent variation in gross advances of AGVB and 91 percent variation of RRBs can be explained with the help of time only. Further, the existing trend shows that the gross advances of RRBs would elevate to the level of 2529.04 crore in 2016 and 2762.97 crore in 2017. Similarly, the gross advances of AGVB would be 3780.44 crore in 2016 and 4094.14 crore in 2017. The gross advances of both RRBs and AGVB are estimated to go up in future in a significant manner.

Table 2 highlight that average priority sector advances of RRBs in India was 241.93 crore in 2006 which has increased to 1785.94 crore in 2013 thus registering CAGR of 33.05 percent during the study period. Further, priority sector advances of Assam Gramin Vikash Bank were 545.57 crore in 2006 which has increased to 2618.17 crore in 2013 and thus registering CAGR of 25.11 percent during the period. It is found that compound annual growth rate of RRBs is much higher as compared to AGVB during the study period. Moreover, RRBs have recorded highest annual growth in 2007 with 71.59 percent but it has declined to 15.61 percent in 2012. Similarly, AGVB has registered highest annual growth in 2011 with 34.35 percent. Further, the coefficient of variation of gross priority sector advances of RRBs is higher as compared to AGVB.
### Table 2: Gross Priority Sector Advances of RRBs in India vis-à-vis Assam Gramin Vikash Bank

<table>
<thead>
<tr>
<th>Year (as on 31st March)</th>
<th>Average of all RRBs in India (in crore)</th>
<th>AGR (%)</th>
<th>Assam Gramin Vikash Bank (in crore)</th>
<th>AGR (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>241.93</td>
<td>--</td>
<td>545.57</td>
<td>--</td>
</tr>
<tr>
<td>2007</td>
<td>415.13</td>
<td>71.59</td>
<td>724.71</td>
<td>32.84</td>
</tr>
<tr>
<td>2008</td>
<td>543.27</td>
<td>30.87</td>
<td>877.78</td>
<td>21.12</td>
</tr>
<tr>
<td>2009</td>
<td>657.62</td>
<td>21.05</td>
<td>1031.57</td>
<td>17.52</td>
</tr>
<tr>
<td>2010</td>
<td>839.31</td>
<td>27.63</td>
<td>1229.45</td>
<td>19.18</td>
</tr>
<tr>
<td>2011</td>
<td>1007.83</td>
<td>20.08</td>
<td>1651.78</td>
<td>34.35</td>
</tr>
<tr>
<td>2012</td>
<td>1165.14</td>
<td>15.61</td>
<td>2172.34</td>
<td>31.52</td>
</tr>
<tr>
<td>2013</td>
<td>1785.94</td>
<td>53.28</td>
<td>2618.17</td>
<td>20.52</td>
</tr>
<tr>
<td>CAGR (%)</td>
<td>33.05</td>
<td></td>
<td>25.11</td>
<td></td>
</tr>
<tr>
<td>CV (%)</td>
<td>55.20</td>
<td></td>
<td>50.49</td>
<td></td>
</tr>
<tr>
<td>R2</td>
<td>0.918</td>
<td></td>
<td>0.934</td>
<td></td>
</tr>
</tbody>
</table>

Note: Based on data obtained from Key Statistics of Regional Rural Banks, NABARD and Annual Report, Assam Gramin Vikash Bank (Various Issues)

Thus, growth of priority sector advances of RRBs is more inconsistent than AGVB. The value of coefficient of determination of AGVB is higher as compared to RRBs which implies that more that 93 percent variation in priority sector advances of AGVB and 91 variations in case of RRBs can be explained with the help of time only.

### Table 3: Gross Non-Priority Sector Advances of RRBs in India vis-à-vis Assam Gramin Vikash Bank

<table>
<thead>
<tr>
<th>Year (as on 31st March)</th>
<th>Average of all RRBs in India (in crore)</th>
<th>AGR (%)</th>
<th>Assam Gramin Vikash Bank (in crore)</th>
<th>AGR (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>56.66</td>
<td>--</td>
<td>308.51</td>
<td>--</td>
</tr>
<tr>
<td>2007</td>
<td>90.01</td>
<td>58.86</td>
<td>322.95</td>
<td>4.68</td>
</tr>
<tr>
<td>2008</td>
<td>112.11</td>
<td>24.56</td>
<td>346.37</td>
<td>7.25</td>
</tr>
<tr>
<td>2009</td>
<td>130.78</td>
<td>16.65</td>
<td>367.49</td>
<td>6.10</td>
</tr>
<tr>
<td>2010</td>
<td>170.68</td>
<td>30.51</td>
<td>388.78</td>
<td>5.79</td>
</tr>
<tr>
<td>2011</td>
<td>198.48</td>
<td>16.29</td>
<td>421.05</td>
<td>8.30</td>
</tr>
<tr>
<td>2012</td>
<td>254.18</td>
<td>28.07</td>
<td>429.22</td>
<td>1.94</td>
</tr>
<tr>
<td>2013</td>
<td>399.02</td>
<td>56.98</td>
<td>495.36</td>
<td>15.41</td>
</tr>
<tr>
<td>CAGR (%)</td>
<td>32.16</td>
<td></td>
<td>7.00</td>
<td></td>
</tr>
<tr>
<td>CV (%)</td>
<td>58.11</td>
<td></td>
<td>15.08</td>
<td></td>
</tr>
<tr>
<td>R2</td>
<td>0.874</td>
<td></td>
<td>0.950</td>
<td></td>
</tr>
</tbody>
</table>

Note: Based on data obtained from Key Statistics of Regional Rural Banks, NABARD and Annual Report, Assam Gramin Vikash Bank (Various Issues)
Table 3 shows that non priority sector advances of Regional Rural Banks in India and AGVB from 2006-2013. Average non priority sector advances of RRBs were ` 56.66 crore in 2006 that has increased to ` 399.02 crore in 2013. At the same time, non priority sector advances of Assam Gramin Vikash Bank has increased to ` 495.36 crore in 2013 against ` 308.51 crore of 2006. Thus, it is found that CAGR of non priority sector advances of RRBs in India is much higher as compared to AGVB during the study period. RRBs have attained highest annual growth in 2007 afterwards the same has declined to 28.07 percent in 2012 whereas; annual growth of non priority sector advances of AGVB was highest in the year 2013. It is observed that coefficient of variation is higher as compared to RRBs in India. Moreover, 95 percent variation of AGVB and 87 percent of RRBs in non priority sector advances can be explained with the help of time factor only.

Table 4: Gross NPA of RRBs in India vis-à-vis Assam Gramin Vikash Bank

<table>
<thead>
<tr>
<th>Year (as on 31st March)</th>
<th>Average of all RRBs in India (in crore)</th>
<th>AGR (%)</th>
<th>Assam Gramin Vikash Bank (in crore)</th>
<th>AGR (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>241.93</td>
<td>--</td>
<td>545.57</td>
<td>--</td>
</tr>
<tr>
<td>2007</td>
<td>415.13</td>
<td>71.59</td>
<td>724.71</td>
<td>32.84</td>
</tr>
<tr>
<td>2008</td>
<td>543.27</td>
<td>30.87</td>
<td>877.78</td>
<td>21.12</td>
</tr>
<tr>
<td>2009</td>
<td>657.62</td>
<td>21.05</td>
<td>1031.57</td>
<td>17.52</td>
</tr>
<tr>
<td>2010</td>
<td>839.31</td>
<td>27.63</td>
<td>1229.45</td>
<td>19.18</td>
</tr>
<tr>
<td>2011</td>
<td>1007.83</td>
<td>20.08</td>
<td>1651.78</td>
<td>34.35</td>
</tr>
<tr>
<td>2012</td>
<td>1165.14</td>
<td>15.61</td>
<td>2172.34</td>
<td>31.52</td>
</tr>
<tr>
<td>2013</td>
<td>1785.94</td>
<td>53.28</td>
<td>2618.17</td>
<td>20.52</td>
</tr>
<tr>
<td>CAGR (%)</td>
<td>33.05</td>
<td>--</td>
<td>25.11</td>
<td>--</td>
</tr>
<tr>
<td>CV (%)</td>
<td>55.20</td>
<td>--</td>
<td>50.49</td>
<td>--</td>
</tr>
<tr>
<td>R2</td>
<td>0.918</td>
<td>--</td>
<td>0.934</td>
<td>--</td>
</tr>
</tbody>
</table>

Note: Based on data obtained from Key Statistics of Regional Rural Banks, NABARD and Annual Report, Assam Gramin Vikash Bank (Various Issues)

Moreover, 67 percent of growth of RRBs as well as 61 percent in case of AGVB can be explained with the time only.

It is evident from the Table 5 Gross non performing asset to advance outstanding of both RRBs in India and AGVB have been showing mixed declining trend during the study period. The gross NPA to advance outstanding ratio indicates the quality of advance for the bank. The lower the ratio, the better is the quality of advances. The gross NPA to advance outstanding ratio of RRBs was 7.28 percent in 2006 which has declined 5.65 percent in 2013 with mean of 5.27 percent.
Table 5: Gross NPA to Advances Outstanding Ratio of RRBs in India vis-à-vis Assam Gramin Vikash Bank

<table>
<thead>
<tr>
<th>Year (as on 31st March)</th>
<th>Average of all RRBs in India (in %)</th>
<th>Assam Gramin Vikash Bank (in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>7.28</td>
<td>6.44</td>
</tr>
<tr>
<td>2007</td>
<td>6.55</td>
<td>6.23</td>
</tr>
<tr>
<td>2008</td>
<td>6.05</td>
<td>4.73</td>
</tr>
<tr>
<td>2009</td>
<td>4.14</td>
<td>3.11</td>
</tr>
<tr>
<td>2010</td>
<td>3.72</td>
<td>3.05</td>
</tr>
<tr>
<td>2011</td>
<td>3.75</td>
<td>3.33</td>
</tr>
<tr>
<td>2012</td>
<td>5.03</td>
<td>3.30</td>
</tr>
<tr>
<td>2013</td>
<td>5.65</td>
<td>3.04</td>
</tr>
<tr>
<td>Mean</td>
<td>5.27</td>
<td>4.15</td>
</tr>
<tr>
<td>CV (%)</td>
<td>23.69</td>
<td>32.77</td>
</tr>
</tbody>
</table>

Note: Based on data obtained from Key Statistics of Regional Rural Banks, NABARD and Annual Report, Assam Gramin Vikash Bank (Various Issues)

Similarly, the ratio was 6.44 percent in 2006 which has cut down to 4.15 percent in 2013 with mean value of 4.15. It is also observed that AGVB is able to minimize the ratio more efficiently as compared to RRBs. Thus, AGVB is comparatively in better position in maintaining quality of advance during the study period.

Table 6: Gross NPA to Asset of RRBs in India vis-à-vis Assam Gramin Vikash Bank

<table>
<thead>
<tr>
<th>Year (as on 31st March)</th>
<th>Average of all RRBs in India (in %)</th>
<th>Assam Gramin Vikash Bank (in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>3.26</td>
<td>4.53</td>
</tr>
<tr>
<td>2007</td>
<td>3.00</td>
<td>4.14</td>
</tr>
<tr>
<td>2008</td>
<td>2.89</td>
<td>4.28</td>
</tr>
<tr>
<td>2009</td>
<td>1.93</td>
<td>3.52</td>
</tr>
<tr>
<td>2010</td>
<td>1.68</td>
<td>2.62</td>
</tr>
<tr>
<td>2011</td>
<td>1.72</td>
<td>2.22</td>
</tr>
<tr>
<td>2012</td>
<td>2.72</td>
<td>2.10</td>
</tr>
<tr>
<td>2013</td>
<td>3.26</td>
<td>2.42</td>
</tr>
<tr>
<td>Mean</td>
<td>2.56</td>
<td>3.23</td>
</tr>
<tr>
<td>CV (%)</td>
<td>24.67</td>
<td>29.11</td>
</tr>
</tbody>
</table>

Note: Based on data obtained from Key Statistics of Regional Rural Banks, NABARD and Annual Report, Assam Gramin Vikash Bank (Various Issues)

It is depicted from Table 6 that the ratio of the gross NPA to total assets for the RRBs and AGVB have been showing mixed trend throughout the study period. Gross NPAs to Total Assets ratio discloses the efficiency of bank in assessing the credit risk and, to an extent, recovering the debts. The ratios of gross NPA to total assets for the RRBs
have been found maximum in both the extreme years. While, gross NPA to total assets ratio of AGVB has highest in 2006 with 4.53 percent and lowest in 2012 with 2.10 percent. Mean has been 2.56 percent for the RRBs and 3.23 percent for the AGVB respectively. The coefficient of variation of the AGVB is higher than RRBs in India. It reveals that the gross NPA to total asset ratio is more inconsistent in case of AGVB. Thus, it is observe of that AGVB is more efficient in regards to minimization of credit risk management as compared to RRBs in India.

Table 7: Advances per Branch of RRBs in India vis-à-vis Assam Gramin Vikash Bank

<table>
<thead>
<tr>
<th>Year (as on 31st March)</th>
<th>Average of all RRBs in India (in crore)</th>
<th>AGR (%)</th>
<th>Assam Gramin Vikash Bank (in crore)</th>
<th>AGR (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>2.74</td>
<td>--</td>
<td>2.41</td>
<td>--</td>
</tr>
<tr>
<td>2007</td>
<td>3.34</td>
<td>21.89</td>
<td>2.95</td>
<td>22.66</td>
</tr>
<tr>
<td>2008</td>
<td>4.00</td>
<td>19.65</td>
<td>3.45</td>
<td>16.85</td>
</tr>
<tr>
<td>2009</td>
<td>4.47</td>
<td>11.77</td>
<td>3.95</td>
<td>14.29</td>
</tr>
<tr>
<td>2010</td>
<td>5.35</td>
<td>19.79</td>
<td>4.55</td>
<td>15.34</td>
</tr>
<tr>
<td>2011</td>
<td>6.18</td>
<td>15.55</td>
<td>5.65</td>
<td>24.25</td>
</tr>
<tr>
<td>2012</td>
<td>6.88</td>
<td>11.34</td>
<td>7.05</td>
<td>24.83</td>
</tr>
<tr>
<td>2013</td>
<td>7.83</td>
<td>13.78</td>
<td>8.32</td>
<td>18.08</td>
</tr>
<tr>
<td>CAGR (%)</td>
<td>16.19</td>
<td></td>
<td>19.40</td>
<td></td>
</tr>
<tr>
<td>Mean</td>
<td>5.10</td>
<td></td>
<td>4.79</td>
<td></td>
</tr>
<tr>
<td>CV (%)</td>
<td>32.62</td>
<td></td>
<td>40.38</td>
<td></td>
</tr>
</tbody>
</table>

Note: Based on data obtained from Key Statistics of Regional Rural Banks, NABARD and Annual Report, Assam Gramin Vikash Bank (Various Issues)

Advances per branch indicate efficiency of branch in credit deployment. Table 7 shows that advances per branch of RRBs in India has increased from `2.74 crore in 2006 to `7.83 crore in 2013 with CAGR of 16.19 percent. Similarly, advance per branch of AGVB rose to `8.32 crore in 2013 against `2.41 crore in 2006 with CAGR of 19.40 percent. Thus, AGVB registered highest CAGR in advances per branch as compare to RRBs in India. RRBs has recorded highest annual growth of 21.89 percent in 2007 afterwards the same has declined to 13.78 percent in 2013. AGVB has registered highest annual growth of 24.83 percent in 2012 but this has declined to 18.08 percent in 2013. Further, the value of coefficient of variation indicates that growth of advance per branch is more inconsistence in case of AGVB as compared to RRBs in India. Hence, over the years, AGVB branches have improved its efficiency in credit deployment.
Table 8: Advances per Employee of RRBs in India vis-à-vis Assam Gramin Vikash Bank

<table>
<thead>
<tr>
<th>Year (as on 31st March)</th>
<th>Average of all RRBs in India (in crore)</th>
<th>AGR (%)</th>
<th>Assam Gramin Vikash Bank (in crore)</th>
<th>AGR (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>0.58</td>
<td>--</td>
<td>0.48</td>
<td>--</td>
</tr>
<tr>
<td>2007</td>
<td>0.71</td>
<td>22.72</td>
<td>0.59</td>
<td>22.66</td>
</tr>
<tr>
<td>2008</td>
<td>0.87</td>
<td>22.14</td>
<td>0.71</td>
<td>19.13</td>
</tr>
<tr>
<td>2009</td>
<td>0.99</td>
<td>14.08</td>
<td>0.81</td>
<td>15.42</td>
</tr>
<tr>
<td>2010</td>
<td>1.20</td>
<td>21.24</td>
<td>0.95</td>
<td>16.89</td>
</tr>
<tr>
<td>2011</td>
<td>1.41</td>
<td>17.55</td>
<td>1.20</td>
<td>25.83</td>
</tr>
<tr>
<td>2012</td>
<td>1.57</td>
<td>11.11</td>
<td>1.49</td>
<td>24.43</td>
</tr>
<tr>
<td>2013</td>
<td>1.86</td>
<td>19.01</td>
<td>1.65</td>
<td>11.04</td>
</tr>
<tr>
<td>CAGR (%)</td>
<td>18.19</td>
<td></td>
<td>19.23</td>
<td></td>
</tr>
<tr>
<td>Mean</td>
<td>1.15</td>
<td></td>
<td>0.99</td>
<td></td>
</tr>
<tr>
<td>CV (%)</td>
<td>36.06</td>
<td></td>
<td>40.32</td>
<td></td>
</tr>
</tbody>
</table>

Note: Based on data obtained from Key Statistics of Regional Rural Banks, NABARD and Annual Report, Assam Gramin Vikash Bank (Various Issues)

Table 8 shows that advances per employee of RRBs in India was ` 0.58 crore as on 31st March 2006 but it has increased to ` 1.86 crore in 2013 with CAGR of 18.19 percent. Similarly, advances per employee of AGVB has rose to ` 1.65 crore in 2013 against ` 0.48 crore in 2006 with CAGR of 19.23 percent. Thus, growth advances per employee of Assam Gramin Vikash Bank is higher as compared to that of Regional Rural Banks in India. It is found that annual growth of advances per employee of RRBs was highest in 2007 with 22.70 percent afterwards the same has declined to 19.01 percent in 2013. Again, annual growth of AGVB was highest in 2011 with 25.73 percent but the same has declined to 11.04 percent in 2013. Thus, from the above analysis it is observed that employees of Assam Gramin Viaksh Bank are more efficient in credit deployment as compared to its counter parts.

EPILOGUE

To conclude, the performance of Assam Gramin Vikash Bank (AGVB) is not satisfactory as compared to Regional Rural Banks (RRBs) in the sphere of credit deployment based on select parameters. It is also observed that in both priority and non-priority sector advances, CAGR of RRBs are much higher as compared to AGVB. Gross NPA of both RRBs and AGVB have been increasing gradually. However, gross NPA to advances ratio indicates that AGVB has been able to maintain quality advance as compared to RRBs in India. Similarly, it is also noticed that AGVB is quite efficient in credit risk management. However, branch and employee productivity of RRBs in India are higher than that of AGVB in the sphere of credit deployment.

REFERENCES


ROLE OF EFFECTIVE COMMUNICATION IN ORGANIZATIONAL MANAGEMENT

Tanaji D.Dabade¹
Daniel J. Penkar²

ABSTRACT

Effective organizational communication is a subfield of the larger discipline of communication studies. Effective organizational communication, as a field, is the consideration, analysis, and criticism of the role of communication in organizational contexts. A process by which activities of a society are collected and coordinated to reach the goals of both individuals and the collective group. It is a subfield of general communication studies and is often a component to effective management in a workplace environment. Data has been collected from organisations, books, periodicals and websites. This study has been an attempt to generate awareness and to understand meaning, importance of effective organizational communication in management, loopholes in organizational communication, and principles of effective organizational communication. An extensive literature review is done on organizational communication. At the end some strategies for improving organizational communication are given.

KEYWORDS: organizational communication meaning, importance of effective organizational communication in management, loopholes in effective organizational communication, principles of effective organizational communication, strategy for improving effective organizational communication

INTRODUCTION

Organizational communication as a discipline consisted of a few professors within speech departments who had a particular interest in speaking and writing in business settings. The current field is well established with its own theories and empirical concerns distinct from other fields. Before we define organizational communication let’s look at what an organization is, and how pervasive they are in today’s society. Amitai Etzioni (1964) states, “We are born in organizations, educated by organizations, and most of us spend much of our lives working for organizations. Simply put, from birth to death, organizations impact every aspect of our lives. Like defining many aspects of communication study, many of the definitions of organizational communication share common elements. Stanley Deetz (2001) argues that one way to enlighten our understanding of organization communication is to compare different approaches.

However, for the purpose of this text, we want to define organizational communication so you have a frame of reference to understand this chapter. Our definition is not definitive, but creates a starting point for understanding this specialization of communication study. We define organizational communication as the sending and receiving of messages among interrelated individuals within a particular environment or setting to achieve individual and common goals. Organizational communication is highly contextual and culturally dependent, and is not an isolated phenomenon. Individuals in organizations transmit messages through face to face, written, and mediated channels. Organizational communication largely focuses on building relationships, or repeated interpersonal interactions, with internal organizational members and interested external publics. In the 1950s, organizational communication focused largely on the role of communication in improving organizational life and organizational output. In the 1980s, the field turned away from a business-oriented approach to communication and became concerned more with the

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Contact No.: 9881522211 Email Id: drdanielpenkar@rediffmail.com
Firstly Identified in the 1940s, systems theory achieves insights into communication. Especially influential on organizational communication, systems theory explains how and why people form groups, each of which is a system as well as part of a larger system. Its focus is on the whole system rather than its parts, and how these parts interact to affect the whole system. Infante, Rancer and Womack (1997) define a system as hierarchical — a set of interdependent units working together to adapt to a changing environment. It can be divided into smaller subsystems or incorporated with other systems to create larger systems, referred to as supra systems or environments (Heath & Bryant, 2000). A systems approach to organizational communication expands the basic model of sender-receiver to feature communication networks; this explains how systems adapt to their environments (Heath & Bryant, 2000).

Farace, Monge and Russell (1977) define communication as the exchange of symbols that are commonly shared by the individuals involved, and which evoke quite similar symbol referent relationships in each individual. Organizational communication goes a bit further. Organizational communication is “both similar to and distinct from other types of communication” (Shockley-Zalabak, 1999, p. 28). It is more than the daily interactions of individuals within organizations, it is the process through which organizations create and shape events (Shockley-Zalabak, 1999). Kurt Lewin (as cited in Evans, Ward, & Rugaas, 2000) was one of the first to develop a model of behavioral change in his 1951 book, Field Theory in Social Sciences. Lewin described three stages as being necessary in the implementation of a change in a person’s behavior. The first of these is unfreezing, the stage during which a person becomes ready to learn or acquire a new behavior, perhaps by recognizing the ineffectiveness of a current behavior or by learning about the benefits that would accrue if the new behavior were implemented. The second stage is the change itself, which will involve a trial period during which the person familiarizes him or herself with the new behavior. Finally, the refreezing stage occurs as the new behavior becomes habitual or ingrained with the individual.

Public relations are the attempt by information, persuasion and adjustment to engineer public support for an activity, cause, movement or institution (Bernays, 1955). The field borrows theories of communication from the social science disciplines; however, there is no one theory that is PR. The field also lacks a sense of identity, failing to define its purpose, scope and dimension (Leeper & Leeper, 2001). There appears to be a widely held definition that PR is “the manipulation of public behavior for the benefit of the manipulated publics as well as the sponsoring organizations” (Grunig, 1989, p. 18 – 19). Grunig’s (1989) research explains PR using four models. Grunig calls them “press agentry/publicity,” “public information,” “two-way asymmetrical” and “two-way symmetrical” (Grunig, 1989, p. 29). According to Grunig (1989), the four models are representative of the goals, values and behaviors held or used by an organization when practicing public relations.

Stephen P. Robbins (2001) defines an organization as a “consciously coordinated social unit composed of two or more people that functions on a relatively continuous basis to achieve a common goal or set of goals” (p. 4). We organize together to achieve what we cannot accomplish individually. Organizing happens through communication. When we study organizational communication our focus is primarily on corporations, manufacturing, and the service industry, and for profit businesses. However, organizations also include not-for-profit companies, schools, government agencies, small businesses, and social or charitable agencies such as churches or a local humane society. Communication serves as the basis for control and coordination in organizations; it also provides information
essential to effective completion of the organizational mission" (Poole, 1978, p. 493). But, what “exactly” is communication? In layman’s terms, communication is the interchange of information between two or more persons.

Cummings and Worley (2005) define organizational development (OD) as a system wide application and transfer of behavioral science knowledge to the planned development, improvement, and reinforcement of the strategies, structures, and processes that lead to organization effectiveness. They further distinguish OD from other forms of planned change in that it addresses an entire system such as an organization or a major subunit of an organization (such as a division, department, or plant), and that it results in improvements to overall organizational effectiveness. Improving organizational effectiveness, as opposed to simply solving a localized problem for the organization, is intended to enable the organization to better solve its own problems. Thus, OD can be contrasted with other organizational change approaches in that it eschews a narrow-problem solving approach to change and instead takes a planned, data-oriented, systems-based approach to change that links human resources with technology and business processes (Gilley, Eggland, and Gilley, 2002). Goldhaber (1990) identified a number of common characteristics in the variety of definitions of organizational communication:

1. Occurs within a complex open system which is influenced by, and influences its internal and external environments,
2. Involves messages and their flow, purpose, direction, and media,
3. Involves people and their attitudes, feelings, relationships, and skills.

Historically, organizational communication was driven primarily by quantitative research methodologies. Included in functional organizational communication research are statistical analyses (such as surveys, text indexing, network mapping and behavior modeling). In the early 1980s, the interpretive revolution took place in organizational communication. In Putnam and Pacanowsky’s 1983 text Communication and Organizations: An Interpretive Approach, they argued for opening up methodological space for qualitative approaches such as narrative analyses, participant-observation, interviewing, rhetoric and textual approaches readings) and philosophic inquiries. During the 1980s and 1990s critical organizational scholarship began to gain prominence with a focus on issues of gender, race, class, and power/knowledge. In its current state, the study of organizational communication is open methodologically, with research from post-positive, interpretive, critical, postmodern, and discursive paradigms being published regularly.

RESEARCH METHODOLOGY

In this research paper the researcher decided to study the role of effective communication in organization management with the help of review of earlier researches in the said area and decided to explain the remaining area of effective communication with descriptive methods for the purpose of preparing the research paper. The analysis of theoretical information through desk research has been done.

IMPORTANCE OF ORGANISATION COMMUNICATION IN MANAGEMENT

In the view of the importance and pervasiveness of organization communication in management. It is vital for managers to understand how to manage organizational communication. It is important due to following reasons:

1. BASIS OF MANAGERIAL FUNCTIONS- Organizational communication acts as a basis of all managerial functions like planning, organizing, staffing, directing, controlling. It is also required in motivating, supervising, and directing the subordinates. Thus communication is an indispensable component of the management process.

2. JOB SATISFACTION- Good communication removes the possibility of misunderstanding among the parties concerned which automatically satisfies employers and employees in the organization.
3. **BOOSTS MORALE**: Morale is the most significant human factor that motivates a man to work in the right spirit.

4. **BUILDING HUMAN RELATIONS**: Effective communication building sound and fruitful human relations. It helps in efficient Sharing of ideas and information, sense of belongings among employers and employees, unity of interests.

5. **QUICK DECISION MAKING**: Effective organizational communication also encourages quick and efficient decision making because all the members of organization whether top or middle together makes decision.

6. **HELPS IN PROBLEM SOLVING**: Organizational communication helps in quick solving of any problem because decisions are taken together.

7. **MAXIMUM PRODUCTION AT MINIMUM COST**: It can seek cooperation of the employees by telling them the goals of the business and different ways of achieving that particular goal. It helps in increasing the productivity by reducing wastages. Thus maximum production can be achieved by the minimum cost and efforts.

8. **COORDINATION**: It builds coordination among the various parties internal and external to organization and increases the goodwill of the business.

**LOOPHOLES IN EFFECTIVE ORGANISATIONAL COMMUNICATION**

To be an effective organizational communicator one needs to know how to communicate at different levels of the organization. While organizational communication has its benefits, it can also present various challenges to managers and employees such as:

1. **ONE WAY COMMUNICATION**: An effective communication involves two way communication in which open feedback is there. But when there is one way communication is there in the organization no employees

2. **INFORMATION OVERLOAD**: Sometimes in organization employer’s forward huge information at a time to the employees and employees can not understand information in an effective way. Thus information overload become hurdle in effective organizational communication.

3. **LACK TO COORDINATION**: Mostly in organizations there is a lack of trust among the top level management and low level management which creates lacks of coordination in between them.

4. **HESITATION IN GIVING FEEDBACK**: If there is lack of trust, lack of coordination and one way communication, every employee hesitated in giving their feedback which may helps organization in sound functioning.

5. **ATTITUDE PROBLEM**: Sometimes there is a gap between top level and low level in their attitudes. Egoistic attitude and status differences also a biggest loophole in the effective organizational communication.

6. **USE OF TECHNICAL LANGUAGE**: Employers use technical words which cannot be understood by low level workers.

**ETHICS OF EFFECTIVE ORGANISATIONAL COMMUNICATION**

1. **PRINCIPLE OF OBJECTIVE**: The communicator must clearly know the purpose of communication before actually transmitting the message.

2. **PRINCIPLE OF CLARITY OF MESSAGE**: Clarity in message is also important for effective communication in the organization.

3. **PRINCIPLE OF CONSISTENCY**: The message should be communicated should be consistent with the plans, policies, programmers and goals of the organization.

4. **PRINCIPLE OF PROPER FEEDBACK**: It is most important principle of organizational communication. It calls that communication should be two way communications in which immediate and timely feedback should be there.

5. **PRINCIPLE OF COMPLETENESS**: The message to be communicated must be adequate and complete. Otherwise the receiver may misunderstand it.

6. **PRINCIPLE OF UNDERSTANDING**: Proper understanding is main aim of any type of organization. So sender must create proper understanding in the mind of receiver.
7. **PRINCIPLE OF TIME**- Communication should be communicated at the right time so that desired response is created in the mind of receivers.

**STRATEGY FOR IMPROVING EFFECTIVE ORGANISATIONAL COMMUNICATION**

1. **ENCOURAGE OPEN FEEDBACK**- Encouraging open feedback is the most important strategy for sound functioning organization. It fosters the atmosphere of the organization and organizational communication becomes more fruitful.

2. **CLARITY OF MESSAGE**- Message should be simple and clear. All necessary information should be disclosed.

3. **AVOID INFORMATION OVERLOAD**- Sometimes in organization employer’s forward huge information at a time to the employees and employees cannot understand information in an effective way. Thus information overload should be avoided.

4. **BE A GOOD LISTENER**- Organization communication becomes efficient only when both sender and receiver are physically and mentally present while communicating to each other. So listening is also very important for sound communication in an organization.

5. **PROPER UNDERSTANDING AND COORDINATION**- Mutual understanding plays very significant role in effective organizational communication. It helps in achieving better relations among the parties to communicate.

6. **FLEXIBILITY**- A good system is flexible enough to adjust to the changing requirements. It should carry extra loads of information without much strain. So flexibility in organization is must in every organization.

7. **WE ATTITUDE**- Instead of I attitude we attitude should be there which helps in building sense of belongings, trust, mutual understanding and fosters the working if organization.

8. **TIMELY MEETINGS, SEMINARS CONFERENCES, WORKSHOPS, TRAINING PROGRAMS**- Regular meetings, timely organizing workshops, conferences, training programs helps in development of employees which automatically leads development of organization.

9. **OPENNESS IN COMMUNICATION**- For healthy running of organization openness in communication is must. It creates coordination among different levels of employees and also boosts the morale of employees.

**CONCLUSION**

Effective organizational Communication focused largely on the role of communication in improving organizational life and organizational output. It is a process by which activities of a society are collected and coordinated to reach the goals of both individuals and the collective group. It is a subfield of general communications studies and is often a component to effective management in a workplace environment. The field turned away from a business-oriented approach to communication and became concerned more with the constitutive role of communication in organizing. Organizational communication was driven primarily by quantitative research methodologies. Included in functional organizational communication research are statistical analyses (such as surveys, text indexing, network mapping and behavior modeling). In the early 1980s, the interpretive revolution took place in organizational communication. In Putnam and Pacanowsky’s 1983 text Communication and Organizations: An Interpretive Approach. they argued for opening up methodological space for qualitative approaches such as narrative analyses, participant-observation, interviewing, rhetoric and textual approaches readings) and philosophic inquiries. Organizational communication plays a very significant role in the field of management. It helps in quick decision making, building relations, problem solving, coordination etc. While organizational communication has its benefits, it can also present various challenges to managers and employees such as one way communication, information overload, attitude and status problems etc. Principles of effective organizational communication includes principle of objectivity, time, understanding, consistency, completeness, clarity and open feedback. Last but not the least strategies for improving organizational communication more effective like open feedback, clarity,
good listener, we attitude, regular organizing training programs, conferences, workshops, seminars etc. openness in communication, flexibility. So Communication serves as the basis for control and coordination in organizations; it also provides information essential to effective completion of the organizational mission. Fruitful and effective organizational communication is must for every organization whether big business or small business. It helps in achieving success in organization and also leads to smooth running of business.

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SOCIAL CONTRIBUTION INITIATIVES BY INDIAN FILM CELEBRITIES

Pavan C. Patil ¹
Dr. P. W. Kale ²

ABSTRACT
Successful people have a social responsibility to make the world a better place and not just take from it. One can engage in social responsibility by being a philanthropist or volunteering. Celebrities are successful people and hence have a social responsibility. This paper tries to make an attempt to study social contribution initiatives taken by Indian film Celebrities. The objective is to study the social contribution initiatives of Indian film celebrities, to study the area of social contribution initiative of Indian film celebrities, to study the type of social contribution initiative of Indian film celebrities. The study is based on secondary data. The information is collected through search on internet, websites. For the said study social contribution of ten Indian film Celebrities and their one initiative is considered. It is evident that celebrities have taken social contribution initiatives and are strongly supporting their causes. It can be said that this initiatives are changing the lives of many. These initiatives need to be appreciated and utilized by citizens as celebrities are not obligated to do it. The social contribution initiatives are in the areas of education and healthcare for underprivileged children, talk show on social issues like female foeticide, child sexual abuse, rape, honour killings, domestic violence, untouchability, alcoholism, and the criminalization of politics, Child nutrition, relief and rehabilitation of people, running orphanage, support for ethical Treatment of Animals, creating awareness and to instilling gender equality and respect towards women, helping mentally challenged young adults for meaningful existence. The type of contribution is in the way of starting an NGO, Campaigning, Funding, Charity, starting foundation.

KEYWORDS: Celebrity, Social Contribution Initiatives

INTRODUCTION
Indian film celebrities are considered as a part of a glamorous world that is far away from harsh realities of daily life. Often, we get an illusion that these celebrities are way beyond the problems faced by common man and pay no heed in social issues. However, there are a few celebrities who have tried to break this stereotype and are playing a vital role in shaping society to make it a better place to live in. These celebrities are showing that there are better reasons to follow them, apart from their on-screen work. Due to their work, it has become trendy for other Indian movie celebrities to lend their time for various pressing social issues. Some celebrities are donating money, some are volunteering, some are trying to be philanthropist. Instances of philanthropy commonly overlap with instances of charity, though not all charity is philanthropy, or vice versa. The difference is that charity relieves the pains of social problems, whereas philanthropy attempts to solve those problems at their root causes (the difference between giving a hungry man a fish, and teaching him how to fish for himself). A person who practices philanthropy is called a philanthropist. Celebrities with their financial strength and desire to contribute in social upliftment may become philanthropist.

CELEBRITIES:
Celebrity is one who is famous in his or her field of representation and attracts attention among the public. He/ she can be an actor, sports star, business tycoon, politician, etc. Lives of celebrities are always interesting to society. But amidst all these glamour and passion, there lies a side we do not really know about Bollywood stars. A lot of these celebrities are engaged in some really great social work and endorse social initiatives in their own little way. People want to know how they behave off-screen. Where

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do they go? Whom do they meet? What do they do with their money? The paper tries to take note of interesting work of ten well known Indian film celebrities as a social contribution initiative.

OBJECTIVES
1. To study the social contribution initiatives of Indian film celebrities.
2. To study the area of social contribution initiative of Indian film celebrities
3. To study the type of social contribution initiative of Indian film celebrities.

SOCIAL CONTRIBUTION INITIATIVES

Celebrity -1 Salman Khan and Social Contribution Initiative:
Salman Khan runs an NGO called Being Human: Salman Khan Foundation started off as a charitable trust to aid underprivileged children is now an extremely popular foundation that assists them in the areas of education and healthcare. NGO called Being Human which sells T-shirts and other products online and in stores. A portion of the sales go to a worthy cause supporting the underprivileged. Salman Khan, who likes to paint, has also been selling his paintings to partly fund the NGO. In its early days, Salman Khan set up and funded the Foundation using his own money. In 2011, he launched his own production company called SKBH Productions (Salman Khan Being Human Productions). Money which will be generated from film productions will be donated to Being Human. First film made under the banner was kids entertainer Chiller Party, which went on to win 3 National Awards, for Best Children’s film, Best Original Screenplay and Child Artist’s Award. In January 2012, Khan offered to pay Rs. 4 million for releasing around 400 prisoners from around 63 prisons in the state of Uttar Pradesh via his NGO. The prisoners had completed their term but due to economical reasons, they were unable to pay a legal fine for their charges.

Celebrity -2 Amir Khan and Social Contribution Initiative:
Aamir Khan has taken up his responsibility towards society so seriously that he created India’s first talk show on social issues, ‘Satyamev Jayate’ (English: Truth Alone Prevails). When the TV show was launched two years back, he gained immense popularity and his research on various social issues was appreciated. The show focuses on sensitive social issues prevalent in India such as female foeticide, child sexual abuse, rape, honour killings, domestic violence, untouchability, alcoholism, and the criminalization of politics. It aims to bring the great achievements of people which often go unnoticed in order to encourage the audience to achieve their goals no matter what comes in between. It also aims to empower citizens with information about their country, and urge them to take action.

Celebrity -3 Vidya Balan and Social Contribution Initiative:
Besides acting in film, Vidya promotes humanitarian causes and supports charitable institutions. In 2012, Vidya Balan has campaigned for the cause of nutrition in India for Child in Need Institute (CINI), an NGO based in Kolkata.

Celebrity -4 Rahul Bose and Social Contribution Initiative:
Rahul Bose visited the Andamans as part of a rehabilitation programme after the 2004 Tsunami, he saw how thousands have become homeless. He was touched and wanted the region’s children to have a future. He founded the non governmental organization (NGO), the Foundation that assists and supports several causes and campaigns that prophesy a ‘world without discrimination’. He launched the Andaman and Nicobar Scholarship Initiative through his NGO and this scholarship provides for the education of underprivileged children from the Andaman and Nicobar islands. He has actively worked for the relief and rehabilitation of people in the Andaman and Nicobar Islands.

Celebrity -5 Anupam Kher and Social Contribution Initiative:
Veteran Bollywood actor Anupam Kher, founded The Anupam Kher Foundation in 2008 which aims to maximize the future opportunities for children from less privileged background by promoting and advocating good quality education aimed at holistic growth. It runs a programme for economically underprivileged children studying in the
city's government schools to learn creative arts.

**Celebrity -6 Katrina Kaif and Social Contribution Initiative:**

Leading Bollywood actress Katrina Kaif has been actively participating in charity works for the past few years – along with her mother Suzanne, who supports the charitable organization Relief Projects India and Mercy Homes. The actress has given some of her much admired attires, accessories and personal belongings for auction in Chennai to help her mother's Mercy Home set up a prenatal care centre. All the cheques from Katrina's various appearances on Indian TV shows – such as 10 Ka Dum and Kaun Banega Crorepati 3 – have been donated to her mother's orphanage for purchase of ambulances.

**Celebrity -7 John Abraham and Social Contribution Initiative:**

John Abraham loves animals and has supported People for the Ethical Treatment of Animals (PETA) in numerous campaigns. In April 2013, on behalf of PETA Abraham wrote a letter to Minister for Environment and Forests, asking that he make all circuses in India animal-free.

**Celebrity -8 Shabana Azmi and Social Contribution Initiative:**

Shabana Azmi's NGO Mijwan is an attempt to help underprivileged children secure their future. Mijwan Welfare Society is in Azamgarh district in UP, where the actress has set up a school, college, computer centre and a sewing and chikankari centre. All children in Mijwan and surrounding villages go to the Kaifi Azmi School with no dropout rate. Today, the Mijwan Welfare Society organizes several fund-raising activities; one such event was the Mijwan celebrity fashion show.

**Celebrity -9 Gul Panag and Social Contribution Initiative:**

Lots is being done for the underprivileged people and people affected with debilitating and life threatening diseases but very few work for the cause for the mentally challenged in the country. This is the reason Gul Panag chose to support shraddha as it works for the rehabilitation of the autistic young adult by keeping them gainfully occupied and helping to integrate them into the mainstream of society. Gul Panag has been an ardent supporter of shraddha since 2006, Shraddha charitable trust is a rehabilitation workshop imparting vocational training to the autistic and mentally challenged young adults, it gives them a regular stipend which increases their self respect thus giving them a meaningful existence.

**Celebrity -10 Farhan Akhtar and Social Contribution Initiative:**

Men Against Rape and Discrimination (MARD) is a social initiative launched by Bollywood actor and director Farhan Akhtar, designed to create awareness and to instill gender equality and respect towards women. The idea came to the mind of Farhan Akhtar when in August 2012, a lady lawyer was sexually assaulted and then killed by her watchman.

**RESEARCH METHODOLOGY**

The study is an attempt of exploratory in nature. The study is based on secondary data. The information is collected through search on internet, websites. For the said study social contribution of ten conveniently selected Indian film Celebrities and their one initiative is considered. Non probability sampling method is used.

**LIMITATIONS:**

The study is done for conveniently selected ten Indian film Celebrities and their one initiative only.

**FURTHER RESEARCH AREAS:**

The study can be done for different types of celebrities eg. Sportpersons, TV artists etc., It will be meaningful to study the impact of type of contribution i.e. Starting a NGO, Campaigning, Funding, Charity, and Foundation on the society.
CONCLUSION:

It can be concluded that celebrities have taken social contribution initiatives and are strongly supporting their causes. It can be said that these initiatives are changing the lives of many. These initiatives need to be appreciated and utilized by citizens as celebrities are not obligated to do it. The social contribution initiatives are in the areas of education and healthcare for underprivileged children, talk show on social issues like female foeticide, child sexual abuse, rape, honour killings, domestic violence, untouchability, alcoholism, and the criminalization of politics, Child nutrition, relief and rehabilitation of people, running orphanage, support for ethical Treatment of Animals, creating awareness and to instilling gender equality and respect towards women, helping mentally challenged young adults for meaningful existence. The type of contribution is in the way of starting an NGO, Campaigning, Funding, Charity, starting foundation.

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INTRODUCTION

Women entrepreneurship development is an essential part of human resource development. The development of women entrepreneurship is very low in India, especially in the rural areas. Entrepreneurship amongst women has been a recent concern. Women have become aware of their existence, their rights and their work situation. However, middle class women are not too eager to alter their role in fear of social backlash. The progress is more visible among upper class families in urban cities. The development of women entrepreneurship has become an important aspect of our planned priorities. Several policies and programmes are being implemented for the development of women entrepreneurship in India.

“If we invest in women’s education and give them opportunity to access credit or start a small business, we add fuel to a powerful engine for progress for women, their families, their communities and their countries...women invest up to 90 percent of their incomes on their families and in their communities. Providing women with equal access to education and health care and the freedom to start businesses, the economic, political and social benefits ripple out far beyond their own home.” –Hillary Rodham Clinton, the US Secretary of status.

On the 68th Independence Day the respected Prime Minister Shri Narendra Modi’s addressed to the nation said that “Brothers and sisters, I want to call upon the youth of the country, particularly the small people engaged in the industrial sector. I want to call upon the youth working in the field of technical education in the country so we can say to the world “Come, Make in India”. First zero defect and second again zero effect. We should manufacture goods in such a way that they carry zero defect and zero effect that they should not have a negative impact on the environment. Also I feel proud of our Daughters who have to proceed in the direction as a social and national character”.

When we speak about the term “Women Entrepreneurship”, we mean an act of business ownership and business creation that empowers women economically increases their economic strength as well as position in the society. Hence, women-entrepreneurs have been making a considerable impact in all most all the segments of the economy which is more than 25 percent of all kinds of business In India, “Entrepreneurship” is very limited amongst women especially in the formal sector, which is less than 5 percent of all the business.

There is an array of challenges for women entrepreneurs in developing countries that arise from the socio-cultural, economic, legal, political, and technological environments within their surroundings. Moreover, unfavorable conditions in local regulatory, normative, and cognitive systems place additional questions on women who desire to become entrepreneurs or to expand an entrepreneurial business. The Maharashtra Government has organized different schemes for women entrepreneurs but without awareness and lack of knowledge, they still represent a minority of all entrepreneurs.

At present, the percentage of Women Entrepreneurs in Maharashtra is 32.12 out of total 1394 registered women entrepreneur units, 538 units are located in Sangli district. This zone is industrially well developed because of concern of availability of raw material, labour, environmental...
conditions & also political influence of representation of state assembly. Suzlon, the largest wind power generation company in India has set up a number of electric power generation wind farms in Sangli. Now, Reliance India’s largest private sector company is setting up a 150 MW wind power project worth 90 Billion Indian rupees in Sangli, in partnership with Suzlon. This wind power project will generate 380 million units of electricity per annum and generate employment for thousands of skilled/unskilled youth in Sangli. With this mega power plant, Sangli finds a place on the global map as a major Power Generation Hub. The city now has an Infotech Park with state-of-the-art facilities waiting for Infotech companies to start operations. Sangli Infotech Park has state-of-the-art modern facilities for software companies. The park is located in an attractive locality surrounded by greenery. In Islampur a new software hub is going to be constructed by Jayant Patil the Home Minister of Maharashtra. IT companies like Infosys, Patni, CapGemini, Cognizant and much more small domestic companies are ready to locate and some of them have started their construction in Islampur. Sangli district consist of nine taluka. MIDC areas which dissipate at this district are prone to industrialization and further proportion of women entrepreneurs is more than 39 percent approximately. So the researcher selected this zone of Sangli district under study.

The study attempts to identify the present scenario of women entrepreneurship in Sangli district in terms of potential abilities, demographic characteristics, motivational factors, leadership and challenges that affect the entrepreneurial process among women. It was intended to probe into the genesis of women entrepreneurship and discover interrelationship between socio-economic origins and entrepreneurship.

OBJECTIVES OF THE STUDY

1. To study the demographic characteristics of women entrepreneurs.
2. To study the motivational and promotional aspects in women entrepreneurs.
3. To study the challenges faced by women entrepreneur.

HYPOTHESIS OF THE STUDY:

Hypothesis 1: The challenging and motivational factors provided stability to the women.

Hypothesis 2: Women possess better leadership qualities than men.

SIGNIFICANCE OF STUDY:

There is hardly any sustainable system to monitor and encourage the participation of women in business. There is a need to integrate gender perspective in data collection and analysis. It is the need of the hour to encourage the women entrepreneurs. The drives of Business women’s groups in association with chambers of commerce, and trade and professional, networking between government officials, international experts and women entrepreneurs can be strengthened. There should be a constant attempt to move from an integrated and inward looking local economy to a surplus seeking and market driven economy. This is an attempt to understand the issues and initiatives in developing the entrepreneurship among women in various parts of Western Maharashtra. Women entrepreneurs can make a particularly strong contribution to the economic well-being of the family and communities, poverty reduction and women’s empowerment, thus contributing to the Millennium Development Goals (MDGs).

RESEARCH METHODOLOGY:

Research Design: The Researcher has selected Exploratory Study design to collect the data. Exploratory research studies are also termed as formulative research studies. The main purpose of such studies is that of formulating the problem for more precise investigation or of developing working hypothesis from an optional point of view.

Sample Design: The universe of the study has been confined to registered women entrepreneurs in small-medium scale industries in Sangli District. While selecting the women entrepreneurs for detail study, this was necessary to obtain the proper representation of all MIDC’s and nature of enterprise of women entrepreneurs in Sangli District. Therefore the total universe is classified Industrial estates wise and as per the nature of enterprise. As per the census survey in 2011, it is observed that number of
women entrepreneurs in Maharashtra are 32.12 percent out of which in Sangli district more than 39 percent registered women entrepreneurs occur.

Table No. 1: Total registered units in DIC

<table>
<thead>
<tr>
<th>No.</th>
<th>Taluka</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Miraj</td>
<td>1947 (88)</td>
<td>265 (12)</td>
<td>2212</td>
</tr>
<tr>
<td>2</td>
<td>Walwa</td>
<td>199 (85)</td>
<td>33 (15)</td>
<td>232</td>
</tr>
<tr>
<td>3</td>
<td>Palus</td>
<td>299 (82)</td>
<td>65 (18)</td>
<td>364</td>
</tr>
<tr>
<td>4</td>
<td>Tasgaon</td>
<td>116 (98)</td>
<td>2 (2)</td>
<td>118</td>
</tr>
<tr>
<td>5</td>
<td>Khanapur &amp; Vita</td>
<td>187 (70.56)</td>
<td>78 (23.44)</td>
<td>265</td>
</tr>
<tr>
<td>6</td>
<td>Shirala</td>
<td>292 (94.49)</td>
<td>57 (5.51)</td>
<td>309</td>
</tr>
<tr>
<td>7</td>
<td>Jat</td>
<td>21 (84)</td>
<td>21 (16)</td>
<td>25</td>
</tr>
<tr>
<td>8</td>
<td>Atpadi</td>
<td>28 (100)</td>
<td>0 (0)</td>
<td>28</td>
</tr>
<tr>
<td>9</td>
<td>Kavathe mahankal</td>
<td>143 (95.33)</td>
<td>7 (4.66)</td>
<td>150</td>
</tr>
</tbody>
</table>

Total | 3192 (86.20) | 538 (14.52) | 3703 |

The stratified random sample method was applied for selection of women entrepreneurs. Once the design was selected a pilot survey was conducted to determine the total sample size with a confidence coefficient 90 percent and error of margin 14 percent. Usually margin of error is taken as 5 percent but while observing registered unit under DIC, it is observed that the units are being registered against women entrepreneurs and are being run by male entrepreneurs. Such units are discarded from the study and hence it is required to increase the permissible margin of error. Here Total sample size is taken as 82. With reference to the book of research methodology by C.R. Kothari, the formula of sample size of finite population is as follows, with confidence interval 90 percent (Z= 1.28), Error of Margin = 14 percent (e= 0.14), Standard deviation of population is 1.1452 (6= 1.1452) which is calculated from a pilot study.

Research Tools to be used:

- Research Design: Exploratory study design
- Study Area: Sangli District
- Sampling Method: Stratified random sampling
- Population size: Number of Women Entrepreneurs in Sangli District is 538.
- Sample size: On the basis of stratifying sampling 82 units selected as sample & filling the questionnaire from the respondent.

Data collection method:

- Primary data: Collected through Questionnaire & Personal Interview.
- Secondary data: Collected through annual reports and record of the DIC of Sangli, government reports, library source - books, video, & case studies women entrepreneurs and Web search.
- Statistical tool & Measures: The following statistical tools were used for analysis of data 1. Percentages 2. Measures of central tendency (Mean, Weighted mean) 3. Measures of dispersion (Standard deviation, coeff. of variation) and for testing purpose chi square test, Z test, z test of proportionality has been used.

LIMITATIONS OF THE STUDY -

1. The study covers only Sangli city. Hence the findings of the study are entirely applicable to this district only so it is reasonable to believe that the findings would rather closely approximate the reality in nonmetropolitan and gradually industrializing city.

2. The study is based on the perceptions of the women entrepreneurs. Their attitudes may change with the change of times. Therefore, the responses reflect their contemporary views on the prevailing conditions.
DATA ANALYSIS:

Table No.2: Demographic Configuration

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Classification</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age of Entrepreneur</td>
<td>25 - 32</td>
<td>2</td>
<td>2.4</td>
</tr>
<tr>
<td></td>
<td>33 – 40</td>
<td>25</td>
<td>30.5</td>
</tr>
<tr>
<td></td>
<td>40 – 55</td>
<td>47</td>
<td>57.3</td>
</tr>
<tr>
<td></td>
<td>Above 55</td>
<td>8</td>
<td>9.8</td>
</tr>
<tr>
<td>Marital Status</td>
<td>Unmarried</td>
<td>2</td>
<td>2.4</td>
</tr>
<tr>
<td></td>
<td>Married</td>
<td>70</td>
<td>85.4</td>
</tr>
<tr>
<td></td>
<td>Widow</td>
<td>10</td>
<td>12.2</td>
</tr>
<tr>
<td></td>
<td>Divorced</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Education of Entrepreneur</td>
<td>SSC</td>
<td>6</td>
<td>7.3</td>
</tr>
<tr>
<td></td>
<td>HSC</td>
<td>10</td>
<td>12.2</td>
</tr>
<tr>
<td></td>
<td>Graduation</td>
<td>55</td>
<td>67.1</td>
</tr>
<tr>
<td></td>
<td>Post Graduation</td>
<td>11</td>
<td>13.4</td>
</tr>
<tr>
<td></td>
<td>Any other</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Professional Qualification</td>
<td>Degree</td>
<td>23</td>
<td>28.0</td>
</tr>
<tr>
<td></td>
<td>Diploma</td>
<td>13</td>
<td>15.9</td>
</tr>
<tr>
<td></td>
<td>Certification</td>
<td>4</td>
<td>4.9</td>
</tr>
<tr>
<td></td>
<td>None</td>
<td>42</td>
<td>51.2</td>
</tr>
<tr>
<td>Children</td>
<td>Yes</td>
<td>71</td>
<td>86.6</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>11</td>
<td>13.4</td>
</tr>
<tr>
<td>Age Group of Children</td>
<td>Below 5 yrs</td>
<td>4</td>
<td>4.9</td>
</tr>
<tr>
<td></td>
<td>5 - 10 yrs</td>
<td>6</td>
<td>7.3</td>
</tr>
<tr>
<td></td>
<td>10 - 20 yrs</td>
<td>15</td>
<td>18.3</td>
</tr>
<tr>
<td></td>
<td>above 20 yrs</td>
<td>46</td>
<td>56.1</td>
</tr>
<tr>
<td></td>
<td>None</td>
<td>11</td>
<td>13.4</td>
</tr>
<tr>
<td>Employment status before start up of enterprise</td>
<td>Service</td>
<td>9</td>
<td>11.0</td>
</tr>
<tr>
<td></td>
<td>Self Employed</td>
<td>24</td>
<td>29.3</td>
</tr>
<tr>
<td></td>
<td>Studying</td>
<td>12</td>
<td>14.6</td>
</tr>
<tr>
<td></td>
<td>Housewife</td>
<td>35</td>
<td>42.7</td>
</tr>
<tr>
<td></td>
<td>Under Training</td>
<td>2</td>
<td>2.4</td>
</tr>
<tr>
<td>Previous experience relevant to enterprise</td>
<td>None</td>
<td>23</td>
<td>28.0</td>
</tr>
<tr>
<td></td>
<td>Experience acquired in formal sector</td>
<td>9</td>
<td>11.0</td>
</tr>
<tr>
<td></td>
<td>Experience acquired through training</td>
<td>9</td>
<td>11.0</td>
</tr>
<tr>
<td></td>
<td>Experience acquired through running own enterprise</td>
<td>41</td>
<td>50.0</td>
</tr>
<tr>
<td>Family Type</td>
<td>Joint Family</td>
<td>52</td>
<td>63.4</td>
</tr>
<tr>
<td></td>
<td>Nuclear Family</td>
<td>30</td>
<td>36.6</td>
</tr>
<tr>
<td>Number of dependent</td>
<td>None</td>
<td>12</td>
<td>14.6</td>
</tr>
</tbody>
</table>
Table No. 3: Descriptive statistics

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age of Entrepreneur</td>
<td>82</td>
<td>2</td>
<td>5</td>
<td>3.74</td>
<td>.663</td>
</tr>
<tr>
<td>Marital status</td>
<td>82</td>
<td>1</td>
<td>3</td>
<td>2.10</td>
<td>.372</td>
</tr>
<tr>
<td>Education of entrepreneur</td>
<td>82</td>
<td>1</td>
<td>4</td>
<td>2.87</td>
<td>.733</td>
</tr>
<tr>
<td>Professional Qualification</td>
<td>82</td>
<td>1</td>
<td>9</td>
<td>5.35</td>
<td>3.789</td>
</tr>
<tr>
<td>Employment status before enterprise set up</td>
<td>82</td>
<td>1</td>
<td>6</td>
<td>2.99</td>
<td>1.181</td>
</tr>
<tr>
<td>Previous experience relevant to enterprise</td>
<td>82</td>
<td>1</td>
<td>4</td>
<td>2.83</td>
<td>1.313</td>
</tr>
<tr>
<td>Children</td>
<td>82</td>
<td>1</td>
<td>2</td>
<td>1.13</td>
<td>.343</td>
</tr>
<tr>
<td>Age group of children</td>
<td>82</td>
<td>1</td>
<td>9</td>
<td>4.20</td>
<td>2.069</td>
</tr>
<tr>
<td>Family Type</td>
<td>82</td>
<td>1</td>
<td>2</td>
<td>1.37</td>
<td>.485</td>
</tr>
<tr>
<td>Number of dependent family members</td>
<td>82</td>
<td>1</td>
<td>5</td>
<td>2.98</td>
<td>1.133</td>
</tr>
</tbody>
</table>

Table No. 2 & 3 indicates the demographic configuration of the respondents. It is observed that 57.3 percent respondents are in the age group of 41 to 55 years, followed by 30.5 percent respondents in the age group of 33 to 40 years. The Marital status of respondents indicates, that most of respondents are married (85.4 percent). It is view that most of respondents have children (86.6 percent) and the age of children is above 20 years. More than half to the respondents are Graduate (67.1 percent) but most of entrepreneurs (51.2 percent) don't have any professional education. It is seen that 42.7 percent respondent are being housewife before they start business and half of respondents acquired experience through running own enterprise. It is indicates that most of the respondents have joint family (63.4 percent) and 36.8 percent respondents stated that more than 5 family members dependent on them. The study shows that 97.6 percent respondents get the support from their family members.

Table No. 4: Challenging and motivating factors for women entrepreneurs

<table>
<thead>
<tr>
<th>Challenging /Motivating Factors</th>
<th>Strongly</th>
<th>Disagree Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly</th>
<th>Total Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Independence</td>
<td>4 (4.9)</td>
<td>2 (2.4)</td>
<td>1 (1.2)</td>
<td>16 (19.5)</td>
<td>59 (72)</td>
<td>82 (100)</td>
</tr>
<tr>
<td>Dissatisfaction with current job</td>
<td>26 (31.7)</td>
<td>28 (34.1)</td>
<td>6 (7.3)</td>
<td>2 (2.4)</td>
<td>20 (24.4)</td>
<td>82 (100)</td>
</tr>
<tr>
<td>Unemployment</td>
<td>22 (26.8)</td>
<td>19 (23.2)</td>
<td>0 (0)</td>
<td>13 (15.9)</td>
<td>28 (34.1)</td>
<td>82 (100)</td>
</tr>
<tr>
<td>Use of Idle Funds</td>
<td>19 (23.2)</td>
<td>35 (42.7)</td>
<td>10 (12.2)</td>
<td>6 (7.3)</td>
<td>12 (14.6)</td>
<td>82 (100)</td>
</tr>
<tr>
<td>Availability of infrastructural facility</td>
<td>6 (7.3)</td>
<td>20 (24.4)</td>
<td>0 (0)</td>
<td>31 (37.8)</td>
<td>25 (30.5)</td>
<td>82 (100)</td>
</tr>
<tr>
<td>Social status / To advance myself</td>
<td>0 (0)</td>
<td>6 (7.3)</td>
<td>2 (2.4)</td>
<td>37 (45.1)</td>
<td>37 (45.1)</td>
<td>82 (100)</td>
</tr>
</tbody>
</table>
The Table No. 4 shows the challenging and motivating factors for women entrepreneurs. From the table, it reveals that 72 percent respondents are strongly agreed with their economic independence. More than half (65 percent) of the respondents are happy with the current job. It is reveals that some of the women were started their business as they were unemployed (64.1 percent). 23.2 percent respondents are highly disagree that they are using idle funds. It is seen that majority (92.2 percent) of women upgrade their social status. 66.8 percent respondents are start their business due to there was no other income source available to them. 90.3 percent respondents get support from their families and others. It is observed that 95 percent respondents feel that they get the respect from others for their skills. Most (85.4 percent) of the respondents are seeking challenges in business venture. 87.6 percent respondents feel that they are making more money. Majority (94 percent) respondents think that they are getting control on their life. 95 percent respondents believe that they prove her and self-esteem. More than half (63.4 percent) respondents think that being entrepreneur is a lifelong goal. 90 percent respondents consider that they get the freedom from the supervision. 40 percent respondents say that they continue the family business. More than 80 percent respondents thinks that they supported the financially to their families. It is observed that more than 75 percent respondents were started their business by themselves and they denied that they entered in business after death of life partner.
Table No 5 : Descriptive statistics : One-Sample Statistics

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Independence</td>
<td>82</td>
<td>4.51</td>
<td>1.009</td>
<td>.111</td>
</tr>
<tr>
<td>Dissatisfaction with current job</td>
<td>82</td>
<td>2.54</td>
<td>1.557</td>
<td>.172</td>
</tr>
<tr>
<td>Unemployment</td>
<td>82</td>
<td>3.07</td>
<td>1.691</td>
<td>.187</td>
</tr>
<tr>
<td>Use of idle funds</td>
<td>82</td>
<td>2.48</td>
<td>1.326</td>
<td>.146</td>
</tr>
<tr>
<td>Availability of Infrastructural facilities</td>
<td>82</td>
<td>3.60</td>
<td>1.341</td>
<td>.148</td>
</tr>
<tr>
<td>Social status / To advance myself</td>
<td>82</td>
<td>4.28</td>
<td>.836</td>
<td>.092</td>
</tr>
<tr>
<td>No other income sources available</td>
<td>82</td>
<td>3.59</td>
<td>1.396</td>
<td>.154</td>
</tr>
<tr>
<td>Support from family/Spouse</td>
<td>82</td>
<td>4.40</td>
<td>.967</td>
<td>.107</td>
</tr>
<tr>
<td>Gaining respect from others for my skills and talent</td>
<td>82</td>
<td>4.62</td>
<td>.580</td>
<td>.064</td>
</tr>
<tr>
<td>Seeking challenges in business venture</td>
<td>82</td>
<td>4.41</td>
<td>.888</td>
<td>.098</td>
</tr>
<tr>
<td>To make more money</td>
<td>82</td>
<td>4.29</td>
<td>.745</td>
<td>.082</td>
</tr>
<tr>
<td>Gaining control on my life</td>
<td>82</td>
<td>4.48</td>
<td>.789</td>
<td>.087</td>
</tr>
<tr>
<td>To prove myself/ For self esteem</td>
<td>82</td>
<td>4.52</td>
<td>.593</td>
<td>.065</td>
</tr>
<tr>
<td>Being entrepreneur was a lifelong goal</td>
<td>82</td>
<td>3.83</td>
<td>1.153</td>
<td>.127</td>
</tr>
<tr>
<td>Freedom from supervision</td>
<td>82</td>
<td>4.30</td>
<td>.827</td>
<td>.091</td>
</tr>
<tr>
<td>To spend spare time</td>
<td>82</td>
<td>4.04</td>
<td>1.201</td>
<td>.133</td>
</tr>
<tr>
<td>Family business passed on to me</td>
<td>82</td>
<td>3.13</td>
<td>1.639</td>
<td>.181</td>
</tr>
<tr>
<td>To support family financially</td>
<td>82</td>
<td>4.09</td>
<td>1.157</td>
<td>.128</td>
</tr>
<tr>
<td>Responsibility to run business due to death of member</td>
<td>82</td>
<td>2.02</td>
<td>1.670</td>
<td>.184</td>
</tr>
</tbody>
</table>

The Table No. 5 indicates the descriptive statistics, it is clear that women entrepreneurs are mainly working for gaining respect for her skills and talents (µ=4.62), working for self-esteem and to prove themselves (µ=4.52), for economic independence (µ=4.51), for seeking challenges in business venture (µ=4.41), for gaining control (4.48) with the support of family/spouse (µ=4.40). These are broadly categorized challenges to women entrepreneurs. The same results can be proved with the help of “t test” also in the following Table No. 6.

Table No 6 : Testing of hypothesis for

| Hypothesis 1: The challenging and motivational factors provided stability to the women. |
|-------------------------------------------------|---------------------------------|-----------------|
| Test Value = 01                                 | 95percent Confidence Interval of |                  |
|                                                 | the Difference                  |                  |
|                                                 | t     | df     | Sig. (2-tailed) | Mean Difference | Lower | Upper |
| Economic Independence                           | 40.490| 81     | .000           | 4.512           | 4.29  | 4.73  |
| Dissatisfaction with current job                | 14.752| 81     | .000           | 2.537           | 2.19  | 2.88  |
| Unemployment                                    | 16.459| 81     | .000           | 3.073           | 2.70  | 3.44  |
| Use of idle funds                               | 16.904| 81     | .000           | 2.476           | 2.18  | 2.77  |
Table No. 6 indicates testing of hypothesis 1, t-test is applied with 95 percent Confidence Interval of the Difference and the result of t-test indicates that the challenging and motivational factors provided stability to the women.

### Women's Potential Ability

<table>
<thead>
<tr>
<th>No.</th>
<th>Particulars</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Supporting</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>82</td>
</tr>
<tr>
<td>2</td>
<td>Rewarding</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>9</td>
<td>13</td>
<td>12</td>
<td>18</td>
<td>22</td>
<td>17</td>
</tr>
<tr>
<td>3</td>
<td>Mentoring</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>15</td>
<td>53</td>
<td>4</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>4</td>
<td>Networking</td>
<td>8</td>
<td>4</td>
<td>8</td>
<td>8</td>
<td>6</td>
<td>14</td>
<td>20</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>82</td>
</tr>
<tr>
<td>5</td>
<td>Consulting</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>82</td>
</tr>
<tr>
<td>6</td>
<td>Team building</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>82</td>
</tr>
<tr>
<td>7</td>
<td>Inspiring</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>11</td>
<td>18</td>
<td>12</td>
<td>3</td>
<td>4</td>
<td>100</td>
</tr>
<tr>
<td>8</td>
<td>Problem solving</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>15</td>
<td>42</td>
<td>21</td>
<td>82</td>
</tr>
</tbody>
</table>
Table No. 7 demonstrate women entrepreneurs’ opinions about leadership and potential ability about men and women, the factors like supporting, rewarding, mentoring, consulting, team building, problem solving etc. These factors have been rated in the scale of 1 to 12 as 1 as lowest and 12 as a highest.

It is observed that 41.5 percent respondents rated highly while 31.7 percent rated strongly to the factor ‘supporting’. In the case of rewarding, it is seen that 22 percent respondents are highly satisfied, while 20.7 percent respondents giving better grading to rewarding. 64.6 percent respondents are highly graded to the mentoring. Most of the respondents are appreciated and agreed that networking is equally distributed to men and women. 34.1 percent respondents were highly appreciated, while 26.8 percent respondents supported to the consulting factor. It is observed 47.6 percent strongly rated to the team building nature in women than men. Most of the respondents conclude that inspiring occurs in both the entrepreneurs equally whereas problem solving factors occurs mostly in women entrepreneurs (51.2 percent). It is indicating that work delegation (39 percent) in employees is averagely occurring in women entrepreneurs. Decision making occurs equally effective in male and female entrepreneurs and 31.7 percent respondents highly rated. It is seen that the consistency factor highly significance in women entrepreneurs and 31.7 percent respondents rated highly and strongly each. 39 percent respondents rated mostly and highly to persistence which indicates high significance of persistence level. The optimizing entrepreneurial and intrapreneurial spirits and skills was rated and accepted highly more than half (52.4 percent) of respondents and 23.2 percent with little less percent.

Table No 8: Testing of hypothesis for

| Hypothesis 2: Women possess better leadership qualities than men. | Test Value = 0 | 95 percent Confidence Interval of the Difference |
|---|---|---|---|---|---|
| | t | df | Sig. (2-tailed) | Mean Difference | Lower | Upper |
| Supporting | 86.995 | 81 | .000 | 10.293 | 10.06 | 10.53 |
| Rewarding | 52.207 | 81 | .000 | 9.585 | 9.22 | 9.95 |
| Mentoring | 85.266 | 81 | .000 | 9.000 | 8.79 | 9.21 |
| Networking | 18.395 | 81 | .000 | 5.744 | 5.12 | 6.37 |
Table No.8 indicates that the testing hypothesis 2, t-test is applied with 95 percent Confidence Interval of the Difference and the result of t-test indicates that women possess better leadership qualities than men.

CONCLUSION

The present study signifies that majority of women entrepreneurs are of middle aged and married. Most of the entrepreneurs are Graduate but they don't have any professional qualification. Before starting the business majority of the women were housewife and they acquired experience through running own enterprises with the sufficient support from family members and others. Most of the Women are today upgrade their social status and gaining control of life simultaneously gaining respect, economically independent and fulfill their self esteem. Most of women believe that they have better potential and leadership qualities then men and it prove by the hypothesis testing. It is observed that supporting, mentoring, rewarding, team builds, problem solving, optimization that is having balanced life are the prominent potential abilities of women. It was found that the problems faced by women entrepreneurs were multi-dimensional and multi faceted, since women entrepreneurs had to play multiple roles and had to face sometimes public prejudice and criticism. Apart from this they run the business and their families successfully. The study also signifies that women entrepreneurs play a significant role in the rural development and socio-economical development of State and Country.

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A STUDY OF IMPACT OF RUSHIKULYA GRAMYA BANK FINANCE ON RURAL DEVELOPMENT IN THE GANJAM DISTRICT OF ODISHA (2003-2012)

Padmalochan Bisoi¹
Nilesh Dangat²

INTRODUCTION:

India lives in the rural areas. Without the development of the rural economy, the objectives of economic planning cannot be achieved. Thus, the banks and other financial institutions play a crucial role for the development of the rural economy in India. The co-operative banks as an institutional credit agency dated back to 1904, started with the primary objective to provide cheap credit to the rural people and to protect them from the clutches of the money lenders. But, these banks could not achieve more than 3.1 percent involvement in the total rural credit supply because of a number of shortcomings like inadequate coverage, management in the hands of large farmers and was not properly supervised. The default rate was very high. Since, the percentage contribution of the co-operatives was not sufficient in the rural credit, as it was evident from the Reserve Bank of India survey; steps have been taken by the government of Indian, to induce commercial banks to play a vital role in supplying credit to the rural sector.

The history of rural credit by commercial banks dated back to 1950. But, they could not make significant impact on rural development because their advances were found more profitable in the industrial sectors. They also could not able to reach to the rural areas and continued to use the deposits mopped up by their rural branches for meeting the credit need in urban areas. The review committee on Regional Rural Bank observed that the geographical coverage, high cost structure and lack of rural orientation were some of major handicaps of the commercial banks.

In 1972, the government of India and banking commission felt that it is necessary to establish new institutions. In this view, government of India appointed a working group on rural bank on 1stJuly 1975 under the chairmanship of Narasimham Rao to examine the setting up of new rural banks as subsidiaries of the public sector banks to cater to the financial requirements of the rural people. The committee recommended for the establishment of the Regional Rural Bank which should be state sponsored, regionally based and rural oriented and with the blend spirit of co-operatives as well as business outlook of the commercial banks. As a result on October 2, 1975 the Regional Rural Banks were established and have been playing a pivotal role in the economic development of the rural India. The main goal of establishing the Regional Rural Banks in India is to provide credit to the rural people who are not economically strong enough, especially the small and marginal farmers, artisans, agricultural laborers and even small entrepreneurs. As on 31stMarch 2011, 82 Regional Rural Banks have been established covering 620 districts with a network of 16001 branches in India. Their total outstanding advances stood at Rs. 98917 crore and total deposits amounted to Rs. 166232 crore as on 31stMarch 2011. In Odisha as on 31stMarch 2011, 5 Regional Rural Banks have been established with a network of 875 branches and their gross outstanding loans and advances stood of Rs. 4843 crore and total deposits mobilized at Rs. 8822 crore. The Rushikulya Gramya Bank is a Regional Rural Bank working in the Ganjam district of Odisha. The present study is an honest attempt to study the “Impact of Rushikulya Gramya Bank Finance on Rural Development in the Ganjam District of Odisha(2003-2012)”.

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Meaning of rural development:

Rural development is a strategy designed to improve the socio-economic status of the specific group of people in the rural area. The group includes the small & marginal farmers, tenants and landless laborers, artisans, agricultural laborers and small entrepreneurs. In this research rural development can be defined as;

1. Development of the agriculture in the study area
2. Rise of the income, expenditure and savings in the study area
3. Create the employment opportunities in the study area
4. Increase the standard of living of rural people
5. Increase the asset acquisition of the rural people

NEED AND IMPORTANCE OF THE STUDY:

The importance of the rural banking in the economic development of a country cannot be ignored. As India lives in the rural areas without the upliftment of the rural people, the objectives of economic planning cannot be achieved. In fact the real growth of the Indian economy depends on the eradication poverty, unemployment and socio-economic backwardness from the rural areas. Keeping this in view various plans and programs of rural development have been conceived and implemented by the government of India since the commencement of the first five-year plan from 1951-56. But many of these plans and programs failed to achieve the desired objectives because of the lack of adequate finance to the poor people in the rural areas. Finally, the Regional Rural Banks were established to provide credit to the rural people who are not economically strong enough, especially the small and marginal farmers, artisans, agricultural laborers and even small entrepreneurs.

The success of any institutions there should be a periodic appraisal and evaluation, so as to adopt the appropriate polices to make the institutions more effective. So, an impact study of the Rushikulya Gramya Bank would establish their individual roles in financing the rural people.

Furthermore, an impact study of this kind would clearly establish how the banks are more successful in carrying out their roles. In addition to this, the present study will throw light on the functioning of the Rushikulya Gramya Bank for the rural development and to give suggestions for the rectification if required.

OBJECTIVES OF THE STUDY:

1. To study the impact of the Rushikulya Gramya Bank finance on the agricultural development in the study area.
2. To study the impact of the Rushikulya Gramya Bank finance on the income, expenditure and savings of the beneficiaries.
3. To study the impact of the Rushikulya Gramya Bank finance on the employment generation of the beneficiaries.
4. To study the impact of the Rushikulya Gramya Bank finance on the standard of living of the beneficiaries.
5. To study the impact of the Rushikulya Gramya Bank finance on the asset acquisition of the beneficiaries.
6. To study the overall performance of the Rushikulya Gramya Bank in terms of deposit, lending, recovery and profitability in the study period.

HYPOTHESIS OF THE STUDY:

1. There is no significant difference in financing to the different sectors of priority sector group by the Rushikulya Gramya Bank.
2. There is no significant difference between the pre loan land productivity and post loan land productivity.
3. There is no significant difference between the pre loan income and post loan income of the beneficiaries.
4. There is no significant difference between the pre loan employment and post loan employment of the beneficiaries.
5. There is no significant difference between the pre loan value of the assets and post loan value of the assets of the beneficiaries.
6. There is no significant impact of the bank loan on the standard of living of the beneficiaries.
RESEARCH DESIGN OF THE STUDY:

The formidable problem that follows the task of defining the research problem is the preparation of the design of the research project, known as the research design. In fact, the research design is the conceptual structure within which the research is conducted; it constitutes the blueprint for the collection, measurement, and analysis of data. The descriptive research design is used in the present study.

SAMPLING DESIGN OF THE STUDY:

A sampling design is a definite plan for obtaining a sample from a given population. It refers to the technique the researcher would adopt in selecting items for the sample. The systematic sampling is used for selecting the sample branches and beneficiaries.

Selection of the branches: There are 74 Rushikulya Gramya Bank branches in the Ganjam district; break up is 49 are in the rural areas, 15 are in the semi-urban areas, 10 are in the urban areas. From the list of 49 rural branches of the Rushikulya Gramya Bank, 20 percent of the branches i.e. 10 branches were selected by using the systematic sampling as sample branches; semi-rural and urban branches were neglected purposefully.

Selection of the beneficiaries: After selecting 10 sample branches from 49 rural branches on the basis of the systematic sampling, 3 percent of the beneficiaries from the total beneficiaries of each sample branch have been selected on the basis of the systematic sampling. The total beneficiaries in the sample branches are 11013. The sample size of the beneficiaries is 331 (3 percent of 11013).

NATURE AND SOURCES OF DATA:

For the present study both the primary and secondary data was collected, the nature and source of the data collected is mentioned below.

Secondary data: In the first stage, the secondary data is collected from the Reserve Bank of India publications, publications of the National Institute of Bank Management (NIBM), the key performance indicators of the Regional Rural Banks (RRBs), the central and state government publications, publications of economics and statistics department, different committee reports, the Rushikulya Gramya Bank (RGB) annual reports, the National Bank for Agriculture and Rural Development (NABARD) reports. The secondary data is also collected from the books, libraries, periodicals, magazines, journals, Ph.D. Theses, M.Phil. Dissertation and websites etc.

Primary data: The primary data has been collected through the field survey. For this purpose one set of structured interview schedules and one set of questionnaire was prepared, one for the beneficiaries and other for the branch managers. Besides this the relevant information was collected through discussion with the sponsor bank managers, block development officers and agricultural officers.

STATISTICAL TOOLS USED FOR THE ANALYSIS:

The statistical tools like percentage, frequency, average, standard deviation, coefficient of variation (CV), difference of mean test, correlation, regression, coefficient of determination, analysis of variance (ANOVA), chi square test etc. were used for the analysis. For the analysis of data the Statistical Package for the Social Sciences (SPSS), Microsoft Office (MS Office) was used. The findings of the data are suitably interpreted and finally the necessary inferences are drawn. Tables, charts, diagrams, figures, maps are used to make the data more attractive and relevant.

SCOPE OF THE STUDY:

The study is limited to the Rushikulya Gramya Bank of the Ganjam district of Odisha. For the study only the rural bank branches were considered, urban and semi-urban branches were purposefully neglected to study the impact of the bank finance on rural development. So for the analytical scope is concerned, the variables like development of agriculture, income, expenditure, savings, employment, asset acquisition and standard of living were considered for the components of rural development. Even though the study is not limited to a specific time period, but for the convenience the study mainly had focused on ten years spreading from 2003 to 2012.
LIMITATIONS OF THE STUDY:

i. The universe of the investigation is restricted to the Ganjam districts of Odisha. As such the generalizations of the results of the study could only be restricted to the area under investigation in particular and there are as where the similar conditions prevail in general.

ii. Many of the beneficiaries did not maintain the proper records of their income, expenditure and savings; hence the details supplied by memory call method may lead under or over estimation of the values.

iii. Since, most of the data and information is based on the verbal responses of the beneficiaries the chance of bias could be there. Further, it is also likely that some of the answers might not fully and correctly reflect the inner thoughts and aspirations of the beneficiaries about the rural financing operations of the banks.

TESTING OF THE HYPOTHESES:

The research has the following intellectual statements which were tested by using the suitable statistical tools. Based on the tested hypothesis generalization was made to the universe. Since, the samples are representative; the conclusions are drawn, equally applicable to the population.

Hypothesis-1: There is no significant difference in financing to the different sectors of priority sector group by the Rushikulya Gramya Bank.

Since, homogeneity of variance should not be there for conducting ANOVA tests, which is one of the assumptions of ANOVA, we see that the Levene’s test shows that homogeneity of variance is significant (p<0.05), as such can be confident that the population variance for each group are not equal. From the ANOVA test result with the degrees of freedom (2, 27) and significance of 0.000. Given that p<0.05, can reject the hypothesis that there is no significant difference in financing by the bank to the different sectors of the priority sector group, F (2, 27) =14.378. It can be inferred that the bank provided more loans to the agriculture, because the mean value of this sector is more than all other sectors in the group.

Hypothesis-2: There is no significant difference between the pre loan land productivity and post loan land productivity.

The difference between the pre loan and post loan land productivity is tested statistically by using the difference of means test. The value of two tail significance is 0.047 is less than .05 (p<.05), as such the difference between the means is significant. The test output indicates that there is a significant difference in the pre loan land productivity and post loan land productivity. Hence, the post loan land productivity is more than the pre loan land productivity, with t (12) =2.217, p<0.05. Hence, it can be concluded that the post loan land productivity is more than the pre loan land productivity.

Hypothesis-3: There is no significant difference between the pre loan income and post loan income of the beneficiaries.

The difference between the two income levels is statistically tested by using the difference of means test. The value of two tail significance is 0.014 is less than .05(p<.05), as such the difference between means is significant. The test output indicates that there is a significant difference in the pre loan income and post loan income of the beneficiaries. The post loan income is more than the pre loan income, with t (3) =5.201, p<0.05. Hence, the bank loan has created a positive impact of the income of the beneficiaries.

Hypothesis-4: There is no significant difference between the pre loan employment and post loan employment of the beneficiaries.

The difference between the two employment levels is statistically tested by using the difference of means test. The value of two tail significance is 0.002 is less than .05(p<.05), as such the difference between the means is significant. The test result indicates that there is a significant difference in the pre loan employment and post loan employment. The post loan employment is more than the pre loan employment, with t (3) =6.93, p<.05. Hence, the bank loan has created a positive impact on the employment conditions of the beneficiaries.

Hypothesis-5: There is no significant difference between the pre loan income and post loan income of the beneficiaries.
the pre loan value of the assets and post loan value of the assets of the beneficiaries.

The difference between the pre loan value of the assets and post loan value of the assets are statistically tested by using difference of means test. The value of two tail significance is 0.002 is less than .05(p<.05), as such the difference between means is significant. The test output indicates that there is a significant difference in the pre loan value of the assets and post loan value of the assets. The post loan value of the assets are more than the pre loan value of the assets, with t (28) = 3.34, p<.05. Hence, the bank loan has a positive impact on the value of the assets in the post loan period.

Hypothesis-6: There is no significant impact of the bank loan on the standard of living of the beneficiaries.

This hypothesis is tested by using the chi-square test. The test shows that there is significant difference in expected and observed frequencies for all parameters of standard of living. As such we reject the hypotheses that there is no significant impact of bank loan on the standard of living of the beneficiaries. Thus, it was concluded that the bank loan has improved the standard of living of the beneficiaries.

PRESENTATION OF THE STUDY:
The study consists of seven chapters which are briefly presented below;

Chapter-1 : Research Methodology: This chapter discussed introduction, need and importance of the study, objectives of the study, hypothesis of the study, methodology adopted in doing the research, scope of the study, key definitions used in the study and limitations of the study.

Chapter -2: Theoretical Background: In this chapter the history and theoretical background of the subject banking and rural development is discussed.

Chapter-3: Review of Literature : The researcher studied and evaluated various books, research articles; magazines, various committee reports, periodicals, weekly, RBI reports, RRB reports, NABARD reports, Ph. D Theses, M. Phil. Dissertation, articles related to RRBs and rural development.

Chapter-4: Profile of Ganjam District, Regional Rural Bank and Rushikulya Gramya Bank: This chapter covers the profile of Ganjam district, the study area, profile of Regional Rural Bank and the profile of Rushikulya Gramya Bank.

Chapter-5: Analysis and Interpretation of Secondary Data: The collected secondary data is analyzed and interpreted in this chapter.

Chapter-6: Analysis and Interpretation of Primary Data: The collected primary data is analyzed and interpreted in this chapter by using different statistical tools and techniques.

Chapter-7: Findings, Conclusions and Recommendations: On the basis of chapter-5 and chapter-6, the researcher has provided findings and conclusions. Some helpful recommendations are given to the bank, to the government and to the beneficiaries.

FINDINGS FROM THE SECONDARY DATA:
1. The gross outstanding credit of the bank to all the sectors was Rs. 13115.12 lakh as on 31stMarch 2003 has increased up to Rs. 48874.37 lakh as on 31stMarch 2012. It can be concluded that the gross outstanding loans of the bank has been increased in the study period, which is a good sign of development.
2. It is found that the Rushikulya Gramya Banks has been quite successful in its agricultural loans. During the period under reference, the bank has been able to mark a raising trend in its loans outstanding with 26.58 percent in the year 2002-2003 to 39.10 percent in the year 2011-2012. Again, further analysis it is revealed that the loans outstanding to the other sectors (small scale industries sector, service sector and other sector) have been decreasing from the year 2006. To find the consistency of the loans outstanding to the different sectors, the coefficient variation is used. It is clear that the coefficient of variation is 19 percent so far the agriculture sector is concerned; hence the loans outstanding to the agriculture sector are more consistent than that of the other sectors.
3. The average share of the priority sector lending and non-priority sector lending was 73.53 percent and 26.47 percent respectively in the study period. To verify the importance of the priority sector lending and non-priority sector lending of the bank, independent 't' test is performed. The test result revealed that the bank had given more loans to the priority sector than the non-priority sector in the study period. It was concluded that the bank financed more to the priority sector than the non-priority sector in the study period.

4. The loans disbursed to the agriculture sector, small scale industries and service sector in the priority sector group were 61.31 percent, 3.94 percent, 35.75 percent respectively as on 31st March 2003. Again the percentage of the loans disbursed to the agriculture sector, small scale industries and service sector in the priority sector group was 46.89 percent, 11.52 percent, 41.59 percent respectively as on 31st March 2012. The ANOVA test is used to verify the importance of the loans disbursed by the bank to all the sectors in the priority sector group. Test result revealed that that the bank disbursed more loans to the agriculture sector, than any other sectors in the priority sector group.

5. Total loans disbursed to the agriculture crop and term loans were Rs. 2399.43 lakh (91.58 percent) and Rs. 22.54 lakh (8.42 percent) respectively as on 31st March 2003. Again as on 31st March 2012 it was Rs. 5441 lakh (48.81 percent) and Rs. 5705.99 lakh (51.19 percent) respectively. The disbursement of the short-term loans and the term-loans has less positive correlation. The linear correlation co-efficient (r) is 0.27, means that the demand for the short term loan increases the demand for long term loan, but at a lesser degree.

6. The credit deposit ratio of the bank in all the years in the study period was below the Reserve Bank of India requirement of 60 percent other than the year 2005-2006 and 2006-2007. It can be concluded that the performance of the Rushikulya Gramya Bank in maintaining the credit deposit ratio of at least 60 percent was not satisfactory.

7. It was found that the recovery performance of the bank was above 68 percent in the study period, which raised the status of the Rushikulya Gramya Bank to be a successful Regional Rural Bank in Odisha. It can be concluded that both the demand and collection in the study period was good and satisfactory but this condition further can be improved by adopting a suitable policy.

**FINDINGS FROM THE PRIMARY DATA:**

8. Out of the total sample of 331 beneficiaries, 116 beneficiaries were the agriculturist (35 percent to the total beneficiaries), 80 beneficiaries were the small scale industrialists (24 percent to the total beneficiaries), 103 beneficiaries were the service sector beneficiaries (31 percent to the total beneficiaries) and 32 beneficiaries were the other sector beneficiaries (10 percent to the total beneficiaries).

9. It is found that 87 percent of the total beneficiaries were male and 13 percent of the total beneficiaries were female. It can be concluded that female were little conservative in the taking loans and the bank also did not encourage the female beneficiaries to take loans.

10. Out of the total sample of 331, 138 beneficiaries i.e. 41.70 percent of the beneficiaries were aware about the bank by their friends, relatives and neighbors, 18.13 percent of the beneficiaries were aware about the bank by the government officials and 16.01 percent of the beneficiaries were aware about the bank by the media. It is concluded that the friends, relatives and neighbors play a crucial role in creating the awareness about the bank in study area.

11. As much as 32.02 percent of the beneficiaries have selected the Rushikulya Gramya Bank, because the bank is nearest to their houses, 27.80 percent of the total beneficiaries have selected the bank because of the public sector bank, 17.82 percent of the beneficiaries have selected the bank by the advice of their friends. The distance of the bank from the house played a very important role, other than public sector bank and advice of the friends in selecting the bank.

12. It was found that 72 percent of the beneficiaries approach the bank directly and 28 percent of the beneficiaries approach the bank indirectly. Again
those who approach the bank indirectly, 61 percent of them approach by their friends and relatives and 39 percent approach by the local political leaders.

13. Out of the total sample 331, 250 beneficiaries i.e. 75.53 percent of the beneficiaries have availed loans for the first time, 50 beneficiaries i.e. 15.11 percent of the beneficiaries have availed loans for the second time, 22 beneficiaries i.e. 6.64 percent of the beneficiaries have availed for the third time and 9 beneficiaries i.e. 2.72 percent of the beneficiaries have availed loans for the several times.

14. Out of the total sample of 331, 45.62 percent of the beneficiaries have received loans on time, whereas 27.19 percent of the beneficiaries have received loans faster than the expected time and 27.19 percent of the beneficiaries have received the loans late than the expected time.

15. Out of 90 beneficiaries, who got delayed in getting loans, 41 beneficiaries got delayed in getting the loans because of submitting the documents and 29 beneficiaries got delayed due to getting the certificates from the government officials and 14 beneficiaries got delayed due to the procedural formalities. It is suggested, if the government officials will issue the relevant certificate relatively easy way and the bank adopts easy procedure for disbursing the loans to the customers, more beneficiaries could have been received loans in time.

16. The average loans received by the agriculturists, small scale industrialists, service sector beneficiaries and other sector beneficiaries in the study period was Rs. 65.07 thousand, Rs. 83.25 thousand, Rs. 126.06 thousand and Rs. 142.96 thousand respectively. The average loans disbursed to the beneficiaries in general was Rs. 96.29 thousand in the study period.

17. Out of the total 331 beneficiaries, 91.36 percent of the beneficiaries revealed that the rate of interest from other sources were higher than the Rushikulya Gramya Bank rate of interest. Since the rate of interest charged by the bank was less than from the other sources, it can be inferred that the bank has been working for rural development by providing more loans to the rural poor.

18. Out of 331 beneficiaries, 136 beneficiaries i.e. 41.21 percent of the beneficiaries have revealed that the bank staff members were friendly. Again 82 beneficiaries i.e. 24.85 percent of the beneficiaries have expressed that the bank staff members were business like, 100 beneficiaries i.e. 30.30 percent of the beneficiaries were reported that they were indifferent and 12 beneficiaries were expressed that the attitude of the bank staff members was not very helpful.

19. Majority of 89.73 percent of the beneficiaries utilized the loans and 10.27 percent of the beneficiaries did not utilize the loans. Again 85.20 percent of the beneficiaries used to pay loans, whereas 14.80 percent of the beneficiaries were defaulters. The Karl Pearson’s coefficient of correlation (r) between the utilization of loans and repayment of loans is 0.62, which shows that there is strong correlation between the utilization of loans and repayment of loans. The coefficient of determination (r2) is 0.39, which shows that 39 percent of the beneficiaries repaid the loans by the proper utilization of loans.

20. The regression equation of Y on X: Y=0.716X+28.256, indicates that if the utilization of the loans is 100 percent, repayment of the loans will be 99.85 percent. This indicates that even if the cent percent utilization of the loans there may not be 100 percent repayment of the loans.

21. It was noticed that 94.83 percent of the agriculturists, 87.50 percent of the small scale industrialists, 87.38 percent of the service sector beneficiaries and 84.38 percent of the other sector beneficiaries fully utilized the loans for what they have been provided. It was concluded that even though all the sectors have utilized the loans for what they have been provided, but 94.83 percent of the agriculturists utilized the loans properly followed by 87.50 percent of the small scale industrialists.

22. Out of 49 defaulter beneficiaries, 61.22 percent of them expressed that loss in their business and 28.58 percent of the beneficiaries expressed that diversion of the loans were the main reasons for the non-payment.

23. It was revealed by the beneficiaries that 87.23 percent of the beneficiaries repaid the loans out of the income generated from the projects followed by 6.03 percent
of the beneficiaries from their own income and savings. Since, 87.23 percent of the beneficiaries repaid the loan out the income generated from the projects, it can be said that the majority of the projects were running with profit.

24. Out of 331 beneficiaries, it was found that 53 percent of the beneficiaries had debit cards, whereas 47 percent of the beneficiaries did not have debit cards. Again, 40 percent of the beneficiaries had mobile banking and 60 percent of the beneficiaries did not have mobile banking. So far the technology products of the bank was concerned, it was not encouraging. It is suggested that the bank should take care of this issue so as to improve this situation in the study area.

25. It was evident that there were no large farmers among the agriculturists, 9 percent of the farmers were the medium farmers, 27 percent of the farmers were the small farmers and 65 percent of the farmers were the marginal farmers.

26. It was found that the mustard and sugar productivity had increased by 141.76 percent and 126.73 percent in the post loan period, mung/biri productivity has increased by 86.29 percent, paddy production has increased by 65.53 percent, flower productivity has increased by 57.93 percent and cotton production had increased by 50.31 percent in the post loan period. It was concluded that the land productivity for all the crops considerably increased in the post loan period. The difference between the pre loan and post loan land productivity is tested statistically by using the difference of means test. The value of two tail significance is 0.009 is less than .05 (p<.05), as such the difference between the means is significant. The test output indicates that there is a significant difference in the pre loan value of the agricultural inputs and post loan value of the agricultural inputs. Hence, the post loan value of the agricultural inputs are more than the pre loan value of the agricultural inputs, with t (6) =3.827, p<0.05. Hence, it can be concluded that the post loan value of the agricultural inputs is more than the pre loan value of the agricultural inputs.

27. The average annual income of the beneficiaries in the pre loan period was Rs. 62589.09 had increased to Rs. 86976.86 in the post loan period. In post loan period the annual average income had increased by 38.96 percent. The difference between the two income levels is statistically tested by using the difference of means test. The value of two tail significance is 0.014 is less than .05 (p<.05), as such the difference between means is significant. The test output indicates that there is a significant difference in the pre loan income and post loan income of the beneficiaries. The post loan income is more than the pre loan income, with t (3) =5.201, p<0.05. Hence, the bank loan has created positive impact of the income of the beneficiaries.

28. The average annual expenditure of the beneficiaries in the pre loan was Rs. 47241.21 had increased to Rs. 59266.77 in the post loan period. In the post loan period the annual average expenditure had increased by 25.46 percent. The difference between the two expenditure levels is statistically tested by using the difference of means test. The value of two tail significance is 0.001 is less than 0.05 (p<.05), as such the difference between means is significant. The output indicates that there is a significant difference in the pre loan expenditure and post loan expenditure. The post loan expenditure is more than pre loan expenditure, with t (3) = 13.69, p<.05. Hence, the bank loan has created a positive impact on the expenditure of the beneficiaries.

29. The average annual savings of the beneficiaries was Rs. 15654.23 had increased to Rs. 27766.59 in the post loan period. In post loan period annual average savings
had increased by 77.37 percent. The difference between the pre loan and post loan savings is tested statistically by using the difference of means test. The value of two tail significance is 0.49 is less than .05(p<.05), as such the difference between means is significant. The test result indicates that there is a significant difference in the pre loan savings and post loan savings. The post loan savings is more than the pre loan savings, with t (3) =2.511, p<0.05. Hence, the post loan savings is more than pre loan savings i.e. the bank loan has created a positive impact on the savings of the beneficiaries.

31. It was also found that the annual average dissaving was Rs. 306.34 in the pre loan period has reduced to Rs. 56.50 in the post loan period. In the post loan period the average annual dissaving had decreased to 442.19 percent. It clearly indicated that the bank loan had positive impact on the savings patterns of the beneficiaries

32. The pre loan annual average levels of employment was 153.01 man-days had increased to 198.25 man-days with an increase of 29.57 percent in the post loan period. The difference between the two employment levels is statistically tested by using the difference of means test. The value of two tail significance is 0.002 is less than .05(p<.05), as such the difference between the means is significant. The test result indicates that there is a significant difference in the pre loan employment and post loan employment. The post loan employment is more than the pre loan employment, with t (3) =6.93, p<.05. Hence, the bank loan has created a positive impact on the employment conditions of the beneficiaries.

33. It was found that the bank loan has increased the value of the assets in terms of money in the post loan period. The bank loan has increased the value of the assets 25.39 percent in the post loan period. The difference between the pre loan value of the assets and post loan value of the assets are statistically tested by using the difference of means test. The value of two tail significance is 0.002 is less than .05(p<.05), as such the difference between means is significant. The test output indicates that there is a significant difference in the pre loan value of assets and post loan value of the assets. The post loan value of the assets are more than the pre loan value of the assets, with t (28) = 3.34, p<.05. Hence, the bank loan has a positive impact on the value of assets in the post loan period.

34. It is found that the bank loan has a positive impact on the standard of living of the beneficiaries. This is verified by using the chi-square test. The test result indicates that there is significant difference in expected and observed frequencies for all the parameters of standard of living. As such we reject the hypotheses. Hence, the bank loan has increased the standard of living of the beneficiaries.

35. It was found that meeting with the local people, visiting at their homes is the main approach adopted by the bank for the deposit mobilization. Further, taking part in the local functions, educating the rural people about the advantages of depositing, formulation of the appropriate schemes adopted by the bank were the second, third and fourth preference for the deposit mobilization respectively. Publicity of the schemes is the fifty approach by the banks for the deposit mobilization.

36. Bank managers have reported that going to the borrower's residence for identifying the eligible borrowers was the preference number one. Second preference was collecting the information from the local leaders. Further, collecting the information from the other banks, collecting the information from the local festivals and walking borrowers were the third, fourth and fifth preference respectively.

CONCLUSIONS:

The Rushikulya Gramya Bank has been playing a pivotal role in the Ganjam district of Odisha in prompting the socio-economic status of the people of the district. The bank has been developing agriculture sector by providing credit to the agriculture sector. As on 31st March 2003 the total outstanding credit to the agriculture sector was 26.58 percent and has increased to 39.10 percent as on 31st March 2012. The percentage of the outstanding loans to the agriculture sector has considerably increased in the study period. The land productivity has increased by 73.95 and the value of the agricultural inputs has increased by 80.36 percent in the post loan period. Bank finance has increased the income, expenditure and savings by 38.96
percent, 25.45 percent and 77.37 percent in the post loan period. It indicates that bank loan had a positive impact on the income, expenditure and savings pattern of the beneficiaries. Again, it is concluded that in the post loan period the value of assets has increased by 25.39 percent, employment has increased by 29.57 percent in the post loan period and bank loan has improved the standard of livings of the rural people in the post loan period. Form the above analysis and findings of the study it can be concluded that the bank has justified for its set up in the district. The bank finance has improved the land productivity, increased the value of the assets, generated income, reduced disavings, generated employment opportunities, improved the standard of living and created the assets for the beneficiaries. It can be concluded that the bank loan has improved the rural area by fulfilling the socio-economic needs of the people of the district.

RECOMMENDATIONS:

Based on the findings and conclusions of the study, the following recommendations are made to make the process of rural development more effective.

1. The growth rate of the deposits and advances of the Rushikulya Gramya Bank has increased in the study period, it is suggested that the bank has to maintain the same tempo so as to accelerate the process of rural development.

2. The share of the priority sector lending to the total lending in the study period was encouraging, it is suggested that the bank should at least maintain the same trend, if not more so as to accelerate the process of rural development.

3. The credit deposit ratio of the bank was not satisfactory; therefore the bank has to take care of this issue seriously to maintain the stipulated ratio.

4. In order to avoid the overdue, the system of collecting the loan installments at the door steps of the beneficiaries may be suggested. Publication of the defaulters list helps in expediting the recovery. It is suggested to the bank to fix recovery target, recovery planning and budgeting and gently follow up to the defaulters. One precaution the bank officials should adopt the blend of friendly and professionalism to avoid conflicts. Overdue can be minimized if the political interference in the functioning of the banks is rooted out. An environment has to be created where the bank compete on the basis of the quality of the service.

5. It is apparent that the banking is still a habit of males. Women must be encouraged by giving credit support in their self-employment ventures and thereby enabling them to participate at par in the socio-economic development.

6. It is found that the friends, relatives and neighbors played a vital role in creating the awareness about the bank, whereas the media and government officials could not help much in this regards. The banks are not using the mass media for popularizing the different schemes. The beneficiaries must be educated about the various schemes through the effective awareness campaign. The bank shoulder sort to all the publicity measures to create publicity among the public. It is suggested that the bank and government officials should actively participate to train, educate and create awareness about the bank, so more rural people can take the benefit of the banking services.

7. Majority of the beneficiaries reported that the reasons for not availing the loan very often could be the reasons like the fear of defaulter, procedural difficulties, did not want to take risk etc. The bank should educate the rural people properly to reduce fear and adopt easy procedures. It is suggested, if the government officials will issue the relevant certificate relatively easy way and the bank adopts easy procedure for disbursing the loans to the customers, more beneficiaries could have been received loans in time.

8. Unless adequate financial assistance is available, the beneficiaries may not in a position to implement their projects. The bank should scientifically appraise the projects and properly estimates the financial requirements, accordingly assistance must be provided. Bankable and viable proposals must be accepted for the sanction of the loans in adequate amount. Care should be taken that the beneficiaries are not approaching the expensive lending available in the unorganized market due to inadequate assistance.
9. It was found that the attitude of some of the bank staff members was not encouraging. The attitude of the bank officers towards the beneficiaries must be changed. They should deal the beneficiaries with sympathy. If the staff members will be having good attitude, some more people could have availed loans from the bank. So, it is suggested that the staff members should have right attitude to attract more customers. If required the sponsor bank should train the staff members in this regards.

10. Diversion of the loans leads to low income, low savings and no repayment. Before sanctioning the loans, the bank should improve the prospective skills of the borrowers through the training. They should also be motivated to use the credit properly and to keep up the credit discipline. The bank should make the post disbursement supervision to ensure the end use of the credit. Before sanctioning the loan, the bank should train the beneficiaries about the terms and conditions, credit discipline etc. The bank officials should follow up in the post loan to look after the utilization of the loan. It is suggested that if the bank takes care of the proper utilization of the loan amount disbursed, then there will be proper repayment of the loans.

11. In the era of globalization, development is the reflection of technology. So far the technology products of the bank are concerned, it was not encouraging. It is suggested that the bank should take care of this issue so as to improve this situation in the study area.

12. The most important of the credit constitute supervision, feedback and follow up. The post disbursement supervision is to be taken up to ensure the end use of the loans and to provide guidance.

13. It is suggested that the bank has to educate the rural people regarding the benefits of timely payment and the problems for defaulters. Again the bank, should think of attractive subside for the timely payment.

14. In the rural area majority of the farmers are the marginal farmers and their income is very low, it is suggested that the bank should encourage these farmers with the low cost credit to improve their socio-economic statues, there by rural development.

15. The bank loan has increased the income, expenditure, savings, employment opportunities, value of the assets, standard of living of the beneficiaries. It is suggested that the bank should maintain the same lending tempo, if possible more to accelerate the process of rural development.

16. A good interpersonal relationship between the three stakeholders of the banker, beneficiary and government officials should be developed. If the concerned authorities follow/adopt the above recommendations; the pace of rural development can be accelerated to a great extent.

SCOPE FOR FURTHER RESEARCH:

In the present study an attempt has been made to study the impact of the Rushikulya Gramya Bank finance on rural development in the Ganjam district of Odisha. Based on the experiences, the researcher has suggested a few areas for conducting further research in the future. An investigation may be undertaken to study the impact of the bank finance on the beneficiaries of the bank in the different states of the country. A comparative study of the performance of the Rushikulya Gramya Bank finance and other commercial bank finance in the Ganjam district of Odisha can be undertaken. A study of the priority sector lending by the Rushikulya Gramya Bank with respect to the Ganjam district can be done. Again the performance evaluation of the Rushikulya Gramya Bank of Odisha state with reference to the agricultural development can also be conducted by the researchers.
INTRODUCTION

All banks in modern time have a key role to play in the process of Economic Development by promoting the savings by encouraging and channeling investment. All modern Economies are money economies. Banking is gradually changing its covers of action. The use of computers of the fast developing information technology has started attracting the density of banks by developing enterprises and including managerial and business skills in men. Previously Indian banks were keener to provide services by offering business by branch expansion. An organization can be evaluated by its distribution of profits to the shareholders, and by better and quick services to the customers. Revolution in communication technology has sought to change the face of banking as it directly affects the speed of transfer of money. The use of computers or the fast information technology has started altering the design of banks. All this has made banking to be not only a money related business but also more as business information and financial transactions in modern times technology which has become a capital for survival of business organizations.

Today we think in term of virtual branches or multimedia banks, A bank branch can be set up on the net. A depositor can view his account, he can order cheque books and go through the services offered by bank without going to the bank. In case of some banks the officers are linked via satellite allowing the customers instant access to all their branches. In Pune District area modern technology has contributed significantly towards achieving quickness. There is a trend towards multimedia banking because, it offers several advantages as compared to traditional banking convenience, facilitating electronic bill payment etc. The researcher would like to study “A Study of Technological Trends in Banking Sector with special reference to selected Nationalized Banks in Pune District”. And would like to suggest some possible solutions for long term survival of these units. In modern times technology has become critical for survival of business organizations. Banks are not exceptions to this. An organization can be evaluated by its ability to deliver profits to its shareholders for this it is necessary to give better and quick services to the customers.

SIGNIFICANCE OF THE STUDY

The research topic is significant because it helps to find out the activities conducted by the nationalized banks and overall banking sector. Nationalized banks have greatly contributed to disbursement of funds to agriculture sector, industrial sector and citizen of the country. The research study focuses on the contribution made by the nationalized banks to the development of rural area, urban area, agriculture sector as well as industrial sector. The researcher intends to study how the nationalized banking sector help to develop the country in terms of education, economic conditions, living standards and employability.

The researcher also wanted to study the working functionalized banking sector, in Pune District. Nationalized job in the distribution of funds and amenities among the rural and urban communities. This has attracted the attention of many international agencies, bodies and foreign government authorities. The nationalized banks in India have been working as functionaries for human resource development. The role played by the Indian nationalized banking sector have been recognized and appreciated by the national and international agencies. So it is national and international status of Indian nationalized banking sector and the topic “A Study of Technological Trends in Banking Sector with Special Reference to Selected Nationalized Banks in Pune District” has a significant one.
SCOPE OF THE STUDY
The present study “A Study of Technological Trends in Banking Sector with Special Reference to Selected Nationalized Banks in Pune District.” is the first of its kind. The word “Taluka” has been used for the “Tehsil”. The study covers working, functioning and technological trends in banking sector especially in nationalized banks, in Haveli, Baramati, Maval, Khed and Ambegaon Talukas of Pune District, over a period from April 2004 to March 2009. That is for five years.

The said study is related to the overall problems, performance, functioning and technological trends of banking sector especially in nationalized banks in Haveli, Baramati, Maval, Khed and Ambegaon Talukas of Pune District. It is need of the hour to know the impact of technological trends in banking sector on the working transacting on banking sector as well as on customers of the banks and evaluate the problems of banks and customers. Technological changes in banking sector may become more beneficial to the banking sector as well as to the customers of the banks, if technological changes are properly managed and efficiently adopted by the nationalized banks.

PERIOD OF THE RESEARCH STUDY
The present research study covers the period from January 2004 to December 2008, that is for five years.

AREA OF THE RESEARCH STUDY
The area of present research study is Pune District, but the researcher selected only ten nationalized banks and forty branches of nationalized banks from Haveli, Baramati, Maval, Khed and Ambegaon Talukas of Pune District for the study.

Two talukas from urban area and three talukas, from rural area were selected as research study area by the researcher. These five talukas were representation of urban as well as rural area of Pune District. Haveli Taluka and Baramati Taluka were the representative of urban area and Maval, Khed and Ambegaon Talukas were the representative of rural area as well as tribal area of Pune District.

SELECTION OF SAMPLE
There were 27 Nationalized Banks in India. All these 27 nationalized

### Table No. 1.1 Statement showing sample size

<table>
<thead>
<tr>
<th>Total No. of branches of nationalized banks in study area.</th>
<th>No. of branches selected as sample</th>
<th>Sample in percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>74</td>
<td>40</td>
<td>54</td>
</tr>
</tbody>
</table>

### Table no. 1.2 Statement showing Sample Size:

<table>
<thead>
<tr>
<th>Total No. of branches of nationalized banks selected as sample</th>
<th>Selected No. of customers from each branch of nationalized bank</th>
<th>No. of managers of each branch of nationalized banks.</th>
<th>Grant Total of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>40</td>
<td>(40 x 5 = 200)</td>
<td>(40 x 1 = 40)</td>
<td>200+40=240</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>40</td>
<td>240</td>
</tr>
</tbody>
</table>

### Table No. 1.3 Statement Showing Sample Size:

<table>
<thead>
<tr>
<th>No.</th>
<th>Name of Taluka selected as study area</th>
<th>Total No. of Branches of National Banks</th>
<th>No. of Branches selected as sample</th>
<th>Sample size in percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Haveli</td>
<td>17</td>
<td>08</td>
<td>10.80</td>
</tr>
<tr>
<td>2.</td>
<td>Baramati</td>
<td>17</td>
<td>08</td>
<td>10.80</td>
</tr>
<tr>
<td>3.</td>
<td>Maval</td>
<td>17</td>
<td>08</td>
<td>10.80</td>
</tr>
<tr>
<td>4.</td>
<td>Khed</td>
<td>13</td>
<td>08</td>
<td>10.80</td>
</tr>
<tr>
<td>5.</td>
<td>Ambegaon</td>
<td>10</td>
<td>08</td>
<td>10.80</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>74</td>
<td>40</td>
<td>54.00</td>
</tr>
</tbody>
</table>
Table No. 1.4

Statement showing nationalized banks in India, Maharashtra and Pune District.

<table>
<thead>
<tr>
<th>No.</th>
<th>Nationalized Banks in India</th>
<th>Nationalized Banks in Maharashtra</th>
<th>Nationalized Banks in Pune District</th>
<th>No. of Selected Nationalized Banks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Allahabad Bank</td>
<td>Allahabad Bank</td>
<td>Bank of Maharashtra</td>
<td>Bank of Maharashtra</td>
</tr>
<tr>
<td>2</td>
<td>Andhra Bank</td>
<td>Andhra Bank</td>
<td>State Bank of India</td>
<td>Bank of India</td>
</tr>
<tr>
<td>3</td>
<td>Bank of Baroda</td>
<td>Bank of Baroda</td>
<td>Bank of India</td>
<td>Bank of Baroda</td>
</tr>
<tr>
<td>4</td>
<td>Bank of India</td>
<td>Bank of India</td>
<td>Bank of Baroda</td>
<td>Canara Bank</td>
</tr>
<tr>
<td>5</td>
<td>Bank of Maharashtra</td>
<td>Bank of Maharashtra</td>
<td>Union Bank of India</td>
<td>Dena Bank</td>
</tr>
<tr>
<td>6</td>
<td>Canara Bank</td>
<td>Canara Bank</td>
<td>Canara Bank</td>
<td>Union Bank of India</td>
</tr>
<tr>
<td>7</td>
<td>Central Bank of India</td>
<td>Central Bank of India</td>
<td>UCO Bank</td>
<td>Syndicate Bank</td>
</tr>
<tr>
<td>8</td>
<td>Corporation Bank</td>
<td>Corporation Bank</td>
<td>Allahabad Bank</td>
<td>Panjab National Bank</td>
</tr>
<tr>
<td>9</td>
<td>Dena Bank</td>
<td>Dena Bank</td>
<td>Central Bank of India</td>
<td>Central Bank of India</td>
</tr>
<tr>
<td>10</td>
<td>Indian Bank</td>
<td>Indian Bank</td>
<td>Syndicate Bank</td>
<td>UCO Bank</td>
</tr>
<tr>
<td>11</td>
<td>Indian Overseas Bank</td>
<td>Indian Overseas Bank</td>
<td>Dena Bank</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Punjab &amp;Sind Bank</td>
<td>Punjab &amp;Sind Bank</td>
<td>Indian Overseas Bank</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>State Bank of Bikaner</td>
<td>State Bank of Bikaner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>State Bank of Hyderabad</td>
<td>State Bank of Hyderabad</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>State Bank of Mysore</td>
<td>State Bank of Mysore</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>State Bank of Patiala</td>
<td>State Bank of Patiala</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>Stat Bank of Saurashtra</td>
<td>Stat Bank of Saurashtra</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>State Bank of Travancore</td>
<td>State Bank of Travancore</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Syndicate Bank</td>
<td>Syndicate Bank</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>The State Bank of India</td>
<td>The State Bank of India</td>
<td></td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>The State Bank of Indore</td>
<td>The State Bank of Indore</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>UCO Bank</td>
<td>UCO Bank</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Union Bank of India</td>
<td>Union Bank of India</td>
<td></td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>United Bank of India</td>
<td>United Bank of India</td>
<td></td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>Vijaya Bank</td>
<td>Vijaya Bank</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>27</td>
<td>27</td>
<td>15</td>
<td>10</td>
</tr>
</tbody>
</table>
OBJECTIVES OF THE RESEARCH STUDY :-
1. The Main objective is to study the technological trends in banking sector with special reference to selected nationalized Banks in Pune District.
2. To take review of the modern technological trends of banking sector in general and nationalized banks in particular.
3. To study the adoption of modern technological trends in banking sector of Pune District.
4. To review the growth taken place in the nationalized banking sector, due to modern technological trends.
5. To study the impact of technological trends on bank workers efficiency.

HYPOTHESIS OF THE STUDY :-
1. Due to the effective use of modern technologies in banking sector, the efficiency of the banks is improved.
2. Technology has dominated the working of nationalized banks and has ultimately resulted in increase in its accuracy and profitability

RESEARCH METHODOLOGY :-
The research study is based on the analysis and interpretation of primary and secondary data.

PRIMARY DATA :-
Primary data is first hand data fresh and authentic for the purpose of research study. To collect the required primary data, the following techniques of data collection were used.

a) Questionnaires.

b) Field Visit.

c) Interviews.

d) Attending the Meetings.

a) Questionnaires :-
Two set of questionnaires were prepared to collect detailed information for research work. The questionnaires have been prepared in English as well as in Marathi language purposely for convenience as most of the customers of the Banks are from taluka place and from small villages are Marathi speakers and readers.
In order to obtain reliable and correct information, the questionnaires have been prepared in English as well as in Marathi language.

Set-1-The Questionnaire for Manager of Nationalized Banks:
The first set of questionnaires is prepared for manager of the nationalized banks. For collecting the data regarding the working progress, functioning and management of nationalized banks, these questionnaires were personally handed over to manager of the nationalized banks, and collected the information by filling the questionnaires.

Set-2-The Questionnaire for Costumers' of Nationalized Banks:
The second set of questionnaires was prepared for the customers of the nationalized banks for knowing the overall opinion and observation of the customers.

b) Field Visits :-
The field survey was conducted from 1st April 2004 to 31st March 2009 The reference year for the selected nationalized banks was from April 2004 to March 2009. The five years data was collected for analysis and interpretation of data.
Even though data is collected for five years, information and new trends up to 31st March 2010 are also taken in to account.
The field visits were also arranged to know the actual functions and various service rendered by the sample branches of nationalized banks.

C) Interviews :-
In order to know the working, functions and services rendered by the sample branches of nationalized banks the interview technique was adopted. The managers of the banks, passing officers, cashiers and the senior officers of the banks were interviewed.
The researcher has personally visited to selected branches of nationalized banks and collected the information by filling the questionnaires.
The researcher has observed the bank records of these branches of nationalized banks to get additional information which was not covered by the questionnaire.
The researcher has got the personal talk with the Director, Manager, Passing officers, cashiers and senior staff of the selected branches of the nationalized banks.

d) Meetings :-
The researcher attended the meetings of Board of Directions of the selected banks, Meetings of the staff members of the banks and observed the proceedings of the meetings and collected required data for study.
SECONDARY DATA :-

For collecting secondary data the researcher visited the following libraries.

4. Jaykar Library, University of Pune.
8. Marathwada Mittra Mandal's College of Commerce, Pune.
10. Maratha Chamber of Commerce and Industries and Agriculture, Pune.

In Secondary sources existing records, that is published and un-published record was used, it includes following record.

1. Published data by various authors committees appointed by government and various publications of Government departments.
2. Annual reports, statements including Trial Balance, Profit and loss Account and Balance sheets of selected Branches of Nationalized Banks.
3. Audit Reports of selected Branches of Nationalized Banks for the said research study.
4. Silver Jubilee, Golden Jubilee, periodicals, special publications of the selected branches of nationalized banks and certain apex bodies.
7. Various articles regarding Banking and Finance and also on Information Technology.
8. Published Materials such as Government periodicals R.B.I. Bulletin, Professional Journals, Magazines, officials and Statistics Publications by the Bureau of Statistics have been used for the said Research study.

LIMITATIONS OF THE RESEARCH STUDY :-

The present research study “A Study of Technological Trends In Banking Sector With Special Reference to Selected Nationalized Banks In Pune District” covers the period from April 2004 to March 2009, that is, for five years only. The study is restricted to Pune District and 40 branches of 10 nationalized banks from Haveli, Baramati, Maval, Khed and Ambegaon Talukas of Pune District. In Short-

1. The study area is limited to Haveli, Baramati, Maval, Khed and Ambegaon Talukas of District.
2. The time period taken the Technological Trends in Banking Sector in Pune District is from April 2004 to March 2009.
3. The researcher has made a sincere effort to collect the necessary primary data and conduct research work in the study region but the results that is conclusions are depends up on respondents response.

ANALYSIS AND INTERPRETATION OF DATA :-

After the collection of the research data, an analysis of data and interpretation of the result are necessary. Analysis of the data is to be made with reference to the purpose of the study and its possible bearing on scientific discovery. An analysis is made with reference to the research problem at hand and with reference to the hypothesis to be tested. For analysis and interpretation of data the researcher has used the following statistical methods.

- Tabulation
- Classification
- Simple Average
- Graphs
- Ratios
- Percentages
CHAPTER SCHEME :-

Chapter 1 - Introduction and Research Methodology :
This chapter includes the introductory part and research methodology. It also contains, choice of the topic, significance of the study, scope of the study, period of the study, area of the study, methodology, hypothesis of the study, objectives of the study, limitations of the study etc.

Chapter 2 - Review of Literature :
This chapter includes review of past literature. It consists :
1. Review of Reference Books
2. Review of Ph.D Theses
3. Review of M.Phil Dissertations
4. Review of Research Papers
5. Review of Research Articles

Chapter 3 - Profile of Pune District :
This Chapter focuses on the profile of study area i.e. Pune District Set up of Pune District, hill ranges, climate of Pune District, soils, minerals population, industry trade and commerce and also the sinario of banking sector.

Chapter 4 – Review of Banking Legislations in India :
This chapter indicates the banking legislation in India. It also includes various banking law and amendments in banking laws and the review of various banking laws.

Chapter 5 - Growth and Development of Banking Sector :
This chapter includes growth and development of banking sector in India. It also includes growth and development of banking sector in foreign country, growth and development of banking sector in Maharashtra and in Pune District.

Chapter 6 - Technological Trends in Banking Sector :
This chapter focuses on the Technological Trends in Banking sector that is Technological Trends in selected Nationalized Banks in Pune District.

Chapter 7 - Analysis and Interpretation of Data :
This chapter includes Analysis and Interpretation of collected primary data and also collected information.

Chapter 8 - Conclusions and Suggestions :
This chapter includes conclusions drawn by the researcher from the primary data and suggestions given by the researcher.

CONCLUSIONS

1. Out of 40 manager respondents of the nationalized banks that were selected as sample for the said research study, 32 manager respondents, (i.e. 80 percent) were male and only 08 manager respondents, (i.e. 20 percent) were female.

From the said finding it is clear that, the proportion of male managers to female managers was 4:1 It indicates that male managers were more in number.

2. Out of 40 respondent managers, (that is 60 percent) completed their post graduate degree, 14 managers (i.e. 35 percent) managers had completed their graduate degree and only two managers that is five percent managers were passed graduate with diploma.

From the above finding researcher came to know that, the most of the branch managers were well educated in the sample branches of nationalized banks in Pune district.

3. Out of 40 branch managers which were selected as sample for said research study two branch managers i.e. five percent branch managers were below 30 years age, 16 branch managers were in the age group of 30 to 50 years and 22 branch managers i.e. 55 percent branch managers were above 50 years old.

4. Out of 40 branch managers that were selected as sample for the said research study, twelve branch managers (i.e. 30 percent) had completed their service in length group of 2 to 10 years, 20 branch managers (i.e. 50 percent) completed their service in length group of 11 to 20 years and 8 branch managers i.e. 20 percent branch managers had completed their service above 20 Years.

From the above finding, it is clear that, 28 branch managers (i.e. 70 percent) were having more than 10 years experience. It means that most of the branch managers were experienced.

5. Out of 40 branch managers that were selected as sample for the said research study, four branch managers (i.e. 10 percent) were of the opinion that, the main objective of their bank is to make a maximum profit, six branch managers (i.e. 15 percent) were of the opinion that, the main objective of their bank is to
provide better services to the customers and 30 branch managers were of the view that the main objective of their bank is to provide better services to customers and also making a maximum profit.

From the above finding, it is clear that, the majority of branch managers were of the opinion that, the need of the hour is to provide better services to customers and also face the challenges of modern technological trends for making maximum profit.

The researcher also came to know that, in banking sector there is not only a need of providing better services to the customers but each and every nationalized bank may provide service with smile, quick and with modern style.

Out of the 40 branches of nationalized banks that were selected as sample for the said research study, 30 branches of nationalized banks (i.e. 75 percent) were using “Teller System” as modern technique.

Out of 40 branches 25 branches of nationalized banks (i.e.62.5percent) were adopting :Automatic Teller Machine”, (20branches i.e.50) percent branches were using “Electronic Transfer of Funds”, 18 branches i.e.45 percent branches were adopting “Computerised external business” 35 branches (i.e. 87.5 percent) were using “Bank credit Cards”, 33 branches were using “MICR Cheques”, 32 branches (i.e. 80 percent) were using “Any Branch Banking Service”, and 30 branches of nationalized banks (i.e. 75 percent) were adopting “Phone Banking” system of modern technique as their modern technology.

From the above findings it is clear that most of the sample branches of nationalised banks were used to adopt the modern technological trends in their day-today operations.

Out of 40 branch managers 30(i.e. 75 percent) branch managers were in favour of the “Teller System”, 06 branch manager (i.e.15percent) were against the “Teller System” and 04 branch managers (i.e. 10 percent) were not answered the same question.

From the above finding it is clear that most of the branch managers (i.e. 75 percent) were in favour of the adoption of “Automatic Teller Machine”, in day today banking operations. It is also clear that, the use of modern technology is increasing day by day in selected sample branches of nationalized banks.

Out of 40 branch managers 36 (i.e. 90 percent) branch managers were in favour of the use of ATM. Three branch managers (i.e.7.50 percent) were of against the use of ATM and one branch manager (2.50 percent) was not attempted the question.

From the above finding, it is clear that, most of the branch managers (i.e. 90 percent) were in favour of the use of ATM in the sample selected branches of nationalized banks from Pune District.

Out of 40 branch managers 34 (i.e.85.00 percent) were in favour of the use of ATM. Three branch managers (i.e.7.50 percent) were of against the use of ATM and one branch manager (2.50 percent) was not attempted the question.

From the above finding it is clear that, most of the branch managers (i.e. 85 percent) were in favour of the use of electronic transfer of funds in the sample selected branches of nationalized banks from Pune District.

Out of 40 branch managers, 36 branch managers (i.e.90percent) were of the opinion due to adoption of electronic transfer of funds, the banks can provide fast services to customers, 34 branch managers were of the opinion that, due to use of electronic transfer of funds reduction in paper work is resulted and according to 38 branch managers (i.e.95 percent) customers are satisfied with the electronic transfer of funds.

From the above finding, it is clear that due to effective use of modern technology paper work is reduced and customers are satisfied with modern technology.

Out of 40 branch managers, 33 branch managers (i.e.82.5 percent) were of the opinion that, due to adoption of “Automatic Teller Machine” the banks can provide fast banking services to their customers. 36 branch managers (i.e. 90 percent) were of the opinion that, fast customer service and customers satisfaction are the main impacts of “Automatic Teller Machine”. 22 branch managers (i.e. 55 percent) were of the opinion that due to application of “Automatic Teller Machine”, the paper work is reduced.

From the said finding, it is clear that due to effective
use of modern technology, paper work is reduced, speed of banking transactions are increased and customers are also getting fast and better services from their banks.

12. Out of forty branch managers, 34 branch managers (i.e. 85 percent) were in favour of “Computerised External Business”, four branch managers (i.e. 10 percent) were against the application of “Computerised External Business” and two branch managers (i.e. 5 percent) were remain neutral.

Form the above finding it is clear that, most of the branch managers of sample selected nationalized banks (i.e. 85 percent) were in favour of the application of “Computerised External Business” in the sample selected branches of nationalized banks from Pune District.

13. Out of 40 branch managers, 37 branch managers (i.e. 92.50 percent) were of the opinion that, due to adoption of modern technological trends overall efficiency of workers/staff members are increased. Only two branch managers (i.e. 5 percent) were of the opinion that, due to adoption of modern technological trends efficiency of staff members are decreased.

From the above finding, it is clear that most of the branch managers (i.e. 92.50 percent) were of the opinion that, due to adoption of modern technological trends overall efficiency of staff members are increased in sample selected branches of nationalized banks from research study area i.e. from Pune District of Maharashtra State.

14. Out of 40 branch managers which were selected as sample for said research study, 30 branch managers (i.e. 75 percent) were of the opinion that, due to modern technological trends bank transactions are increased. Eight branch managers (i.e. 20 percent) were of the opinion that, due to modern technological trends bank transactions are not increased and two branch managers (i.e. 5 percent) were not expressed their views regarding impact of modern technological trends on sample selected branches of nationalized banks from Pune District. From the above finding the researcher came to know that due to effective use of modern technological trends in selected sample branches of nationalized banks the numbers of bank transactions were increased.

15. Out of 40 branches of sample selected nationalized banks, 25 branches (i.e. 62.50 percent) branches were providing facility of drinking water, space for lunch and facility of toilet to their staff members and out of 40 branches, only 14 branches of nationalized banks (i.e. 30 percent) were providing facility of drinking water, independent and sufficient space & stationery for filling the various forms and facility of waiting room to their customers and visitors. The researcher suggest that sample branches of said nationalized banks may provide facility of drinking water, clean and sufficient space for lunch and facility of toilet to their staff members. The sample branches of nationalized bank may provide facility of drinking water, sufficient stationery and space for filling the various forms and facility of waiting room to their customers and visitors.

16. Out of 40 branch managers that were selected as sample for said research study, 36 branch managers (i.e. 90 percent) of the opinion that, their banks are ready to face the challenges of liberalization, privatization & globalization. They are also ready to face the challenges of information technology. Two branch managers (i.e. 5 percent) were of the opinion that, their banks are not ready to face the challenges of globalization and also challenge of information technology and two branch managers were not expressed their views.

From the above finding most of the branch managers (i.e. 90 percent) were of the opinion that sample branches of nationalized banks are ready to face the challenges of LPG & information technology.

17. Out of 40 branch managers 28 branch managers (i.e. 70 percent) were of the opinion that core banking system is taking more time for completion of transactions but due to use of core banking system accuracy of transactions was increased.

Due to lack of electricity power and disconectivity of internet core banking system taking more time for completion of transactions.
18. Out of 40 branches that were selected as sample for said research study, 38 branches (i.e. 95 percent) were use to provide personal loans. 35 branches (i.e. 87.50 percent) were use to provide educational loans, 34 branches (i.e. 85 percent) were use to provide car loan /vehicle loans, 37 branches (i.e. 92.50 percent) were use to provide housing loans, 30 branches (i.e. 75 percent) were use to provide agricultural loans and 36 branches of sample selected nationalized banks (i.e. 90 percent) were use to provide gold loans.

From the said findings, it is clear that most of the branches of selected nationalized banks from Pune District were use to provide personal loans, educational loans, car / vehicle loans, housing loans, agriculture loans and gold loans.

19. Out of 200 bank customer respondents of sample branches of selected nationalized banks from Pune District that were selected as a sample for said research study 134 bank customers (i.e. 67 percent) were male and 65 bank customers (i.e. 33 percent) were female. It means that most of the bank customers were male.

20. Out of 200 bank customers respondents that were selected as sample for the said research study, 30 bank customers (i.e. 15 percent) were passed 10th class, 70 bank customers (i.e. 35 percent) were completed their education up to 12th class, 60 bank customers (i.e. 30 percent) were completed their graduation and 40 bank customers (i.e. 20 percent) were completed their post graduation.

21. From the above findings out 200 bank customers 100 bank customers (i.e. 50 percent) were completed their education up to graduation. It is also clear that most of the bank customers were well educated Out of 200 bank customers 20 customers (i.e. 10 percent) were in age group of 18 to 25 years, 90 bank customers (i.e. 45 percent) were in age group of 26 to 40 years, 50 bank customers (i.e. 25 percent) were in age group of 41 to 55 years and 40 bank customers / account holders (i.e. 20 percent) were above 55 years old. It means that, 140 bank customers / account holders (i.e. 70 percent) were in the age group of 26 to 55 years old.

22. Out of 200 bank customers, 15 customers (i.e. 7.50 percent) were having their monthly income below `5,000, 65 bank customers (i.e. 32.50 percent) were having their income in between `5,001 to `15,000, 40 bank customers (i.e. 20 percent) were having their income group in between `15,001 to `30,000 and 80 bank customers (i.e. 40 percent) were having their income above `30,000.

From the above finding it is clear that, the bank customers i.e. 120 bank customers (60 percent) were having their income above `15,000.

23. Out of 200 bank customers, that were selected as sample for said research study 50 bank customers (i.e. 25 percent) were of the opinion that, various services offered by these sample branches of nationalized banks were outstanding, 120 bank customers (i.e. 60 percent) were of the opinion that, services provided by these branches of nationalized banks were good, 24 bank customers (i.e. 12 percent) were of the opinion that, various services offered by sample branches were average and six bank customers were not expressed their views regarding services of selected nationalized banks from Pune District.

24. Out of 200 customers/account holders of the bank that were selected as sample for the said research study, 110 customers / account holders (i.e. 55 percent) were offered the facility of Automated Teller Machine and 90 customers / account holders (i.e. 45 percent) were not offered the facility of Automated Teller Machine. From the above finding the researcher come to know that there is a need to increase the awareness about the facility of ATM. There is a scope for increasing use of ATM facility in the sample branches of selected nationalized banks from Pune District.

25. Out of 200 account holders / customer respondents 130 customers (i.e. 65 percent) were given first preference to quick and efficient service. 40 customer respondents (i.e. 20 percent) were given second preference and 30 customer respondents (i.e. 15 percent) were given third preference to quick and efficient service provided by sample branches of selected nationalized banks.

110 customer respondents (i.e. 55 percent) were given 2nd preference to polite personal service. 55 customer respondents (i.e. 27.5 percent) were given 3rd preference and 35 customer respondents (i.e. 17.5
percent) were given 1st preference to polite personal service.

Out of 200 account holder / customer respondents that were selected as sample for said research study, 120 customer respondents (i.e. 60 percent) were given 1st preference to best service with more rate of interest on investments. 60 account holders (i.e.30%) were given 2nd preference and 20 account holder (i.e.10 percent) were given 3rd preference to best service with more rate of interest on investments.

26. Out of 200 customers / account holders, 160 customer respondents (i.e. 80 percent) were of the opinion that, there is delay in granting the loan from sample branches of nationalized banks, 32 customer respondents (i.e. 16 percent) were of the opinion that, there is no delay in granting loans by sample branches and 08 customers respondents were not express their views regarding delay in granting loans by sample branches of nationalized banks from Pune District. From the above finding, it is clear that there is a delay in sanctioning loans to customers by the sample branches of nationalized banks. There is a need to improve the speed of loan granting procedure by the sample branches of nationalized banks.

27. Out of 200 customer respondents / account holders only 44 customer/ account holders (i.e.22 percent) were using the facility of credit cards, 152 customers / account holders (i.e. 76 percent) were not using the facility of credit cards and four customers were not answered the same question.

From the above finding most of the customers / account holders i.e. 76 percent account holders were not using the credit cards facility. It is clear that there is a need to improve use of credit cards facility.

28. The researcher collected the information from the 200 sample customers / account holders, out of these 200 account holders, 40 account holders (i.e. 20 percent) were farmers, out of these 40 farmers account holders only 18 farmers (i.e. 45 percent) were using the bank facility of kissan credit cards and 22 farmers (i.e. 55 percent) were not using the facility of kissan credit cards.

From the above finding the researcher came to know that most of the farmer account holders were not aware about the kissan credit cards.

29. Out of 200 customers / account holders that were selected as sample for said research study, only 25 account holders (i.e.12.50 percent) were of the opinion that, they were using, the facility of internet banking, 166 account holders (i.e. 83 percent) were of the opinion that, they were not using the facility of internet banking and nine account holders were neutral.

From the above finding it is clear that, most of the account holders / customers were not using the facility of internet banking in the sample selected branches of nationalized banks from Pune District.

30. Out of 200 account holder /customers that were selected as sample for said research study, 118 account holders / customers (i.e.59 percent)were using loan facility provided by the sample branches of nationalized banks from Pune district. 77 account holders (i.e. 38.50 percent) were not using loan facility and five accountholders were neutral.

From the above finding it is clear that most of the account holders were using the loan facility in the sample branches of nationalized banks from study area that is from Pune District.

31. Out of 200 account holders /customers that were selected as sample for said research study, 111 account holders (i.e. 55.50 percent) were having “fixed deposits” with the bank 80, account holders (i.e.40 percent) were not prefer to have “fixed deposit” with the bank and 9 account holders (i.e.4.50 percent) were not attempt the same question.

From the above finding, majority of the account holders were prefer to have “fixed deposit” account with the banks that were selected as sample for the said research study.

SUGGESTIONS :-

The researcher would like to make the following suggestion for effective use of modern technologies in banking sector and for increasing over all performance of the banks.

If the management of selected branches of nationalized banks considers the following suggestions, the overall performance of said branches will be speedily increased. The Suggestions are as follows-
1. All the banks may apply modern machines, modern techniques an modern technologies in their daily routine. As per the financial position and also as per the customer’s requirements these technologies may be applied.

2. Computerization in banking becomes common phenomena with the help of computers the banking transaction and entries are made very quickly and accurately. “At first less paper banking and then paper less banking”, this principle can be followed with the help or computers. ‘Everywhere Banking can become feasible with the help of inter-branch network. The customer should be treated as a ‘customer of a bank and not a branch’. The customer can deposit amount in any one branch and can withdraw the amount from any other branch. With the help of electronic Medias, the remitting of money from one place to another place become very easy. So each bank must have to use computers and electronic devices in their daily routine.

3. The Principle applied for immediate services to the customer is ‘Not queue’ banking but ‘quick’ banking”. For this purpose the Teller System is applied. The withdrawals and deposits up to certain extent are immediately given or accepted by a separate cashier named ‘Teller’. Each bank may apply this system with a great care. The quick banking also involve providing of ’Demand Draft’ immediately sanctioning of various types loans without delay and discounting the cheques and bills immediately, as well as clearing the cheques with a great speed. All these facilities may be made available by the banks.

4. The banks may change their traditional attitude regarding functions. Traditional functions are accepting deposits and advancing loans. Now-a-days the banks are allowed to enter into insurance field. All types of loans can be provided by the banks – viz., long term, medium term and short term.

There is no specialization in the banking activities. As per customer requirements all types of financial services should be provided by the banks. “One stop Shoppe” is also one of the recent concept in the banking field. All types of services includes withdrawal, deposit, loans, insurance, payment of electricity and telephone bills, Credit Cards, various types of loans – Home Loans, Business Loans, Education Loans, Domestic Appliances Loans, Car Loans etc. All the banks should apply ‘One Stop Shoppe’ concept in their daily routine.

5. Banks may have to concentrate upon maintaining old customers. Because getting new customers is first differentiate all the customer into separate groups such as – corporate customers, employee customers (serviceman) housewives, male, female, students, pensioners, self employed, persons, entrepreneurs etc.

6. Marketing of banking services is become necessary activity in daily routine. Each branch of the nationalized bank in Pune District area should appoint 'Marketing Officer' who would be responsible for marketing all the new products and can guide the customer properly. The specialized staff must be appointed for marketing of banking services by all the banks. The required training may be given to this specialized staff of the banks.

7. Banking institutions have to face global competition. For this purpose each bank must have to increase its strength with the help of maintaining old customers and achieving new customers. Now 'survival of the fittest' become important feature in each field, including banking. For strengthening the banking unit, it is necessary to increase profit by providing new services to the customers and to face global competition. In respect of adopting new technology in the banking field the employees must be well trained.

8. The training programmes for getting techniques of utilizing the computer, internet and various types of electronic medias must be arranged by the banks.

9. The banking employees should be always ready to accept the changes, which take place in this field.

10. Change become common phenomena in each sector. Human resource Development must be done by keeping in mind the following steps:-

1. We must ready to accept the change.
2. Education and training must be accepted to adapt with the change.
3. All the employees should enjoy the change. Do not consider it as the burden.
4. Find a way out from the problems arise due to change.
5. Welcome always to the next change.

11. Banks do not remain in vacuum. Banks are part and parcel of society. They are totally depend upon society. So, social relevance by the bank officers must be maintained. For providing various types of facilities to the customer. “One Window Scheme” should be started by the banks in Pune District.

12. Due to the various frauds, and scandals taken place in the banking fields. Reserve Bank of India is giving guidelines, instructions and clarifications very fastly and almost daily. All the bank officers must study the guidelines, instructions and classifications given by RBI very clearly and the changes may be done accordingly.

13. The impacts of modern technology are very much good and favorable in respect of the following benefits which can be achieved are: -
   a) Speed in Transaction.
   b) Accuracy in transaction.
   c) Quick Services to the customers
   d) Proper communication with the customers.
   e) Providing various types of services to the customers.
   f) Economic development and motivation to the transactions.
   g) Increasing profit and strength of the bank.
   h) Long term survival of the bank etc.

14. Due to modern technology, unemployment may be increased. So the Voluntary Retirement Scheme or Compulsory Retirement Scheme may be started by banks.

15. The routine work may hamper due to breakdown of machinery. But due to modern machines, and modern technologies the strength of the bank can be increased.

16. In the era of globalization, privatization and liberalization this technology is much helpful, so, it is necessary to acquire new and modern techniques by the banks. The necessary modifications about furniture, fixtures, lighting and keeping machineries may be made as per requirements and as per the space available.

17. The customers are interested in maintaining contact with the bank for long periods. Therefore, according to the changing needs the customers may be identified and appropriate schemes for meeting their needs may be developed.

18. For smooth running of computer system the generator sets may be provided to all branches of the nationalized bank. Due to generator sets the computer data will not be corrupted.

19. There may be parking facility, drinking water, toilet facility, newspapers for customers.

20. Customers may be provided with writing facility for filling in the necessary forms of the bank.

21. Follow-up of recovery of loans may be done properly, as this will become the customers alert about repayment.

22. Emphasizing on the need for a change in customer services in the area of privatization, globalization and liberalization quality continuousness in service application of modern technologies in banking, continuous training to the employees to cope with needs of changing requirements and increasing financial strength etc. are necessary for long term survival. The continuous survey study the customers changing needs and wants is essential.

23. The selected branches of nationalized banks may make its maximum efforts to sanction the loans only for productive purpose and in time.

24. Loan applications may be carefully scrutinized so that loans would be properly sanctioned for genuine purpose only.

25. The sample branches of nationalized banks may establish a separate statistical department for maintaining up to date statistical information about deposit schemes, various loans, credit worthiness of the customers etc. This will helps in policy farming of the bank.

26. For increasing the amount of deposit, the bank may try to disburse the loan to the borrowers under the head loan against deposit.

27. The selected branches of nationalized banks may increase the loan disbursement to the small-scale industries for purchasing of new machinery or for the need of working capital. It is helpful to create
employment for the people of the society.

28. Some of the borrowers are uneducated or they have not clear idea may be loan procedure. Mostly, the application form and the information about it is printed in Hindi or English, Hence, bank may provide these types of forms in local language or at list a person who can help for filling the forms to be borrower.

29. There is a great need to form a recovery cell. The duty of this cell will be continuous checking of loan account and check whether the account is not become NPA. If it find such accounts which are on the way of NPA, it may meet such account holders and warn them about the situation.

30. It is observed that the bank made less disbursement of loan to big industries and partnership firms. There are several hotels situated near the bank’s area. Hence, bank may be provide a special finance scheme for hotels, Also bank may give some more benefit to the big industries for stating new activities because that will creates a employment for the people.

31. According to 165 customers i.e. 82.5 percent customers sample branches of nationalized banks were spend more time for disbursement of loan. For that a researcher wants to suggest that bank should provide a clear list of the whole documents which are required for the loan. Also, if there is more time required for the borrower for getting any document them bank may accept any alternate document for it and took a declaration after some time.

32. Nowadays, insurance business is also done by the banks through tie up with insurance companies. For that it is beneficial for the bank to make full insurance of the assets which are provided by way of loan by the bank to the borrower and debit the amount of insurance premium to the borrower’s account.

33. In the Pune District and from selected branches of nationalized banks only 55 percent sample customers / account holders were offered the facility of Automated Teller Machine (ATM) and 45 percent sample customers / account holders were not offered the facility of ATM. There is a scope for increasing use of ATM facility in the sample branches of selected nationalized banks from Pune District. The management and administration of the sample branches may motivate to the customers / account holders for using the facility of ATM.

34. Most of the customer respondents/ account holders of the sample selected branches of the nationalized banks from Pune District that is 76 percent account holders were not using the credit cards facility. There is a scope to improve use of credit cards facility.

35. It is suggested that, the managements of the sample branches of nationalized banks from Pune District may motivate to the account holders for using the bank facility of credit cards.

In the Pune District and from selected branches of nationalized banks only 12.50 percent sample account holders were using internet banking and 87.50 percent were not offering the facility of internet banking. So there is a scope for increasing use of internet banking of sample branches of nationalized banks from Pune District. The management of sample branches of nationalized banks from Pune District may motivate to the account holders for maximum use of internet banking.

**TESTING OF HYPOTHESIS**

**Hypothesis No.1:**

“Due to effective use of modern technology in banking sector, the efficiency of the banks is improved”.

The above stated hypothesis was tested with the help of following parameters.

1. Growth in transactions :-

   From the table 7.13 and graph 7.13 it is clear that, out of 40 branch managers that were selected as sample for said research study, 30 branch managers (i.e. 75 percent) were of the opinion that, due to use modern technological trends, bank transactions are increased.

2. Speed in routine work :-

   From the table 7.15 it is clear that, out of 40 branch managers that were selected for the present research study, 35 branch manager (i.e. 87.5 percent) were of the opinion that, due to use of modern technologies in banking sector speed of routine work is increased.

3. Growth in customers :

   From the table 7.16 it is clear that, out of 40 branch managers that were selected as sample for the said research study, 37 branch managers (i.e.92.50 percent) were of the opinion that due to use of modern technologies banking activities were increased.
Hypothesis No.2:—
“Technology has dominated the working of nationalized banks and has ultimately resulted in increase in its accuracy and profitability”.

The above stated Hypothesis was tested with the help of following parameters.

1. Accuracy in bank transactions :-
From the table 7.17 it is clear that, out of 40 branch managers 36 branch managers (i.e. 90 percent) were of the opinion that, technology has dominated the working of sample nationalized banks and has ultimately resulted in increase in its accuracy of bank transactions.

Increase in profitability :-
From the table 7.18 it is clear that, out of 40 branch managers that were selected as sample for said research study, 34 branch manager (i.e 85 percent) were of the opinion that due to use of modern technology the profitability of sample branches nationalized banks were increased.

All the parameters were included in questionnaires. With the help of analysis of primary data the above stated hypothesis was tested and proved positively.

FULFILLMENT OF OBJECTIVES OF THE RESEARCH STUDY :-
The objectives of the present research study that were taken by the researcher are fulfilled as follows

1. “The main objective was to study the technological trends in banking sector with special reference to selected nationalized banks in Pune District”. The researcher studied the technological trends in selected 40 branches of nationalized banks from Pune District. From the table and graph number 7.6 to 7.13 and 7.15 to 7.18. it is clear that technological trends in banking sector in sample branches of Pune District is fulfilled.

2. “To take review of the modern technological trends of banking sector in general and nationalized banks in particular”. The researcher reviewed the modern technological trends in chapter six. From chapter six that is Growth and Development of Banking Sector and seven that is Analysis and Interpretation of Data it is clear that objective number 2 i.e. “To take review of the modern technological trends of banking sector in general and nationalized banks in particular is fulfilled.

3. “To study the adoption of modern technological trends in banking sector of Pune District”. The researcher studied the adoption of modern technological trends in banking sector of Pune District. From the table and graph number 7.6 it is clear that, the objective number 3 of the said research study i.e. “To study the adoption of modern technological trends in banking sector of Pune District is fulfilled.

4. “To review the growth taken place in the nationalized banking sector, due to modern technological trends”. The researcher reviewed the growth taken place in the nationalized banking sector, due to modern technological trends. From the chapter number five i.e. Growth and Development in Banking Sector” and table 7.16 it is clear that, the objective number four i.e.”To review the growth taken place in the nationalized banking sector, due to modern technological trends” is fulfilled.

5. “To study the impact of technological trends on bank-workers efficiency”. The researcher studied the impact of technological trends on bank workers efficiency. From the table 7.12 it is clear that most of the branch managers (i.e. 92.50 percent)were of the opinion that, due to adoption of modern technological trends, overall efficiency of bank workers were increased. So the objective number 5 that is “To study the impact of technological trends on bank-workers’ efficiency is fulfilled.

SUGGESTED AREAS FOR FURTHER RESEARCH STUDY

1. A study of loans suctioning and recovery procedure of nationalized banks in Pune District of Maharashtra State.

2. An analytical study of nationalized banks in Pune District of Maharashtra State.


