

SBPIM
Journal of Management And Administration Tomorrow

Vol. 8 No.1

July – December 2019

ISSN No. 2278-9316

CONTENTS

1. **19 Key Indicators To Measure Performance Of Materials Management Function** 1 - 7
Amol Prasad Khedkar
2. **A Study Of Customer Satisfaction Level Towards Dantkanti Toothpaste** 8 - 16
Somesh Tamachikar
3. **Impact Of Effective Audit Control On Financial Performance Of Co-Operative Society –
A Literature Review** 17 - 22
Pratik Dhulkar
4. **Impact Of Electronic Banking On Indian Banking Sector** 23 - 26
Kulkarni Savita Mairalpant
5. **Innovation In Business Success: “A Conceptual Advancement In Business Success Through
Creative Human Resources** 27 - 31
Satish Shrikrishna Chinchorkar
6. **Marketing Of Banking Services In The Globalised World** 32 - 35
Kahane Manjiri Jagdish
7. **Odyssey Of Goa: A Move Towards Sustainable Tourism** 36 - 41
Lyseth M. D’souza
8. **Role Of HR In Innovation And Creativity At Workplace** 42 - 47
Harshda Thorat
9. **Service Measurement At Retail Stores In Selected Cities** 48 - 55
C. S. Dalvi
10. **Transformational Leadership: Helping In Motivating Employees** 56 - 60
Deepshikha Satija

19 KEY INDICATORS TO MEASURE PERFORMANCE OF MATERIALS MANAGEMENT FUNCTION

Amol Prasad Khedkar

ABSTRACT

Each Business function of an organization is measured with certain indicators to see where we need real time improvements and where we are on track, this is very important for organization to check those performance indicators on timely basis, where timelines to monitor different indicators vary depending on their impact and usefulness in business environment.

Having processes set in the function is a start, but organization members should also know how better processes are doing to achieve business objectives (Okes, 2013)¹⁶. Performance measurements are fundamental part of business management because it allows business members to understand where we were, where we are, where we want to go and when we will get there (Quagini and Tonchia, 2010)¹⁷. While designing Performance indicators it is necessary to start with firms objectives then it has to be decided what needs to be measured while it is always better to have fewer performance indicators than having number of them which overlapped measurements (McLean, 2015)¹⁸. If this statement is linked with materials management function then materials function has certain objectives which include key objectives like

- a. Low cost operations throughout to support profit margin,*
- b. Cost reduction,*
- c. Supply continuity,*
- d. Ensure material quality,*
- e. Maintain good relationships with inter departments and external suppliers,*
- f. Ensure customer satisfaction,*
- g. to manage the risks of possible disruptions and maintain balanced demand and supply and other objectives like maintain proper records, error free work and putting intelligence to tight control on inventory.*

Introduction:

Materials management function includes planning, purchasing, receiving, stores, inventory control, scrap and surplus disposal.

Materials management is one department which is responsible for managing flow of materials from supplier through production to consumer.

In a global organizations there are multiple performance indicators to measure materials and inventory management performance, all those performance indicators may not be necessary to be applicable for every business, product lines but many of them are common, useful, effective and derives business performance in true sense and those are almost used by top firms.

Commonly used Performance indicators throughout the supply chain cycle where materials management

team has involved directly and indirectly are defined in this research paper.

Scope of the study:

This research paper is focused in area of industrial segments only.

1. Study is concerned with materials management function of the organization.
2. Materials management is vast area of study which includes planning, purchasing, Inventory management, Sales and Operations planning, materials handling, part of logistics, stores. But study is purely focused on planning parameters viz. inventory management, materials planning and sales and operations planning.
3. Key indicators studied in this paper are more frequently used indicators and not necessary those are used by all the organizations exactly.

© SBPIM

Assistant Project Manager, Eaton Fluid Power Ltd., Pimpri, Pune.

Contact No. :

Email Id: amolkhedkar1@gmail.com

of Materials Management

1. Cost Reduction

Cost reduction is one of the key parameter in every supply chain function and hence for materials management, as materials management function is involved with many cost decisions including purchase prices, contracts with suppliers, transportation cost, warehousing cost, inventory cost, administrative cost and other factors. Cost reduction can be calculated as cost saving or cost avoidance. Cost saving is sometime also referred as hard saving where usually budget vs. spend comes in a picture, cost saving is a key to reduce cost year on year, where spending's are reduced as compared to historical spend organization did in the past. Thus cost saving has major contribution in cutting the costs to improve profitability.

While on other side cost avoidance is a potential cost impact for future where generally there is no baseline set. Cost avoidance is also referred as soft savings. Thus cost saving is something which can be recorded in budget and spends.

2. On Time Delivery (OTD) of supplier

This indicator is calculated as total number of shipments (some time order lines) shipped by supplier on committed date out of total number of shipments (Order lines) committed to ship on that day by supplier.

This indicator is usually measured in period like weekly bucket or monthly buckets. There is a tolerance limit of few days before and after committed date which may be different with different firms.

3. On Time Delivery (OTD) of customer orders

This indicator is calculated as total number of shipments (some time order lines) shipped against customer orders on committed date to customer out of total number of shipments (Order lines) committed to ship on that day to the customer.

This is also similar kind of indicator mentioned above only supplier and customer relationship changes from front end to back end. This indicator is also usually measured in period like weekly bucket or monthly buckets. There is a tolerance limit of few days before and after the committed date which may be different with different firms.

4. Inventory Turnover ratio (ITR)

This is one of the crucial indicators which show performance of inventory in true sense, this indicator indicates how many times company's inventory is being sold or replaced in particular time period.

$ITR = \text{Cost of Goods Sold (COGS)} / \text{Average Inventory}$

Where Cost of goods sold is not the sales value of the goods or service but it is the total of all costs used to create a product or service which is sold.

COGS (Cost of Goods Sold) calculation includes direct material cost, direct labor, factory overhead, freight in and freight out, it also includes commission expense but does not include any administrative or selling expenses (**Accounting Tools, 2012**)¹⁹.

Many a time it is calculated in alternate way to avoid major complexities as per below method.

$\text{Cost of goods sold} = \text{Beginning inventory} + \text{Purchases} - \text{Ending inventory}$

So if we have to calculate COGS for Year 2015 and if we have below figures

Beginning inventory – inventory on 1st Jan = 20000 INR

Purchase in the Year 2015 = 25000 INR

And if ending inventory – Inventory on 31st Dec = 10000

Then $COGS = 20000 + 25000 - 10000 = 35000$ INR

Average Inventory – Average inventory is taken as there is high level of fluctuation in inventory throughout the year, Average inventory is calculated as

$\text{Average inventory} = (\text{Beginning inventory} - \text{Ending inventory}) / 2$

It is divided by 2 because we take inventory of only 2 days (beginning day and end day of that period)

It may be more accurate for firm to calculate Average inventory by taking multiple point inventory value and take a mean, like for all 12 months ending period inventory and divided by 12

So if we have to calculate Average inventory for Year 2015 and if we have above figures mentioned in COGS calculation then

$\text{Average inventory} = (20000 - 10000) / 2 = 5000$ INR

Thus Inventory Turnover ratio = $COGS / \text{Average Inventory} = 35000 / 5000 = 7$ times

Thus company sells average inventory 7 times in a year or in other way average inventory is turned into sales for 7 times in a year.

5. Days on Hand (DOH)

Taking above example in continuation, DOH provides how many days inventory was on hand before it is being sold.

For a yearly overview, Average selling period is computed by dividing 365 by inventory turnover ratio; this indicator is measured in days as a unit.

Therefore average selling period = $365 / 7 = 52$ Days.

Thus firm takes average 52 days to sale average inventory.

Inventory turnover ratio varies with industry and in ideal scenario; high ratio indicated fast moving

inventories and low ratio is less movement of inventory.

While high number of days on hand indicates low inventory movement and vice versa.

So ideally ITR should be more and DOH should be less to improve firm's performance.

There is an analysis on Indian manufacturing firm's inventory turnover performance by (Shah, 2009)²⁰ which shows Indian manufacturing industry

performance has grown from 1990 to 2001 while after 2001 firms have moreover maintained inventory turnover and has not shown significant improvements due to some reasons like taxation structure and poor logistics infrastructure in the country, while on other hand when Indian firms are compared with best international firms then international have improved inventory performance in much faster pace.

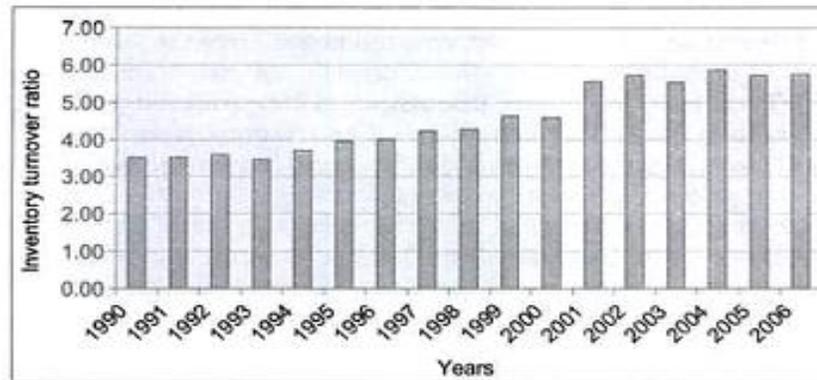


Figure 1: Performance of ITR in Indian industry – Source: (Shah 2009)²⁰

6. Customer Backorder rate

This indicator helps to understand how good customer order delivery is, this indicator can also be applicable on firms supplier (explained in next point). This is some time also referred as Past due or due orders.

The indicator is calculated as total number of customer order lines delayed to wrong or insufficient internal planning or stock out divided by total number of customer order lines received in the particular period of time. This indicator can be calculated in terms of number of order lines or even cost of order lines.

This is usually measured in percentage.

Low the number of customer backorder good the performance of the materials and over all supply chain planning.

7. Supplier backorder rate

This indicator helps to understand how good supplier performance in on time delivery is, this indicator is overlapping of Suppliers OTD indicator.

This is some time also referred as Past due or due orders.

The indicator is calculated as total number of order lines delayed by supplier divided by total number of order lines placed on supplier in the particular period of time.

This is usually measured in percentage.

Low the number of customer backorder good the performance of the materials and over all supply chain planning.

8. Distribution Expense

All expenses vary with varied requirement of the firm, similarly distribution expense also varies based on the shipments received or sent to customer

So distribution expense can be calculated in two ways as

- Distribution expense for inbound shipments and
- Distribution expense for outbound shipments

It is better to take COGS value to understand the performance of distribution as this gives justification on cost variations if any and also provides shipment wise cost or unit wise costs if taken in more detail

Distribution expense is thus calculated as total distribution expense divided by the total cost of goods sold (COGS) in particular time frame.

This indicator helps to identify possibilities of improvements in packaging, shipping, network designs and many options to get cost avoidance and cost saving outcomes.

9. Warehouse Capacity Used-

Warehouse or stores space is a crunch in many firms, the capacity available may not be the sufficient to support manufacturing activities, as business is growing cost reduction focus should be more aggressive and warehouse space utilized turns into

the cost in terms of rent, labor, electricity, material handling equipment, scrap, obsolescence and theft. This indicator gives idea of how effectively warehouse space is utilized and can give more action plans for improvement in terms of reducing inventory or store layout change to be more efficient in storing materials

This indicator is measured in percentage of the ratio of warehouse space used (in square feet or other units) divided by total warehouse space (in similar unit).

10. Order and Documentation Accuracy Rate

This performance is moreover on Purchasing or buying role, where total number of orders sent to supplier with complete and correct information divided by total number of orders sent to supplier in particular time frame.

This indicator helps to understand internal administrative issues like changes on orders in terms of quantity, prices, terms and conditions, delivery schedules.

11. Percentage of Sales Lost Due to Supply Issues

From the customer satisfaction point of view, when customer cancels order due to insufficient capacity of the firm or shortages or back orders or any other reasons which are related to wrong planning from supply department.

This indicator is calculated as loss of sales in currency divided by total order value from customer in same currency in particular time frame. This ratio can also be calculated as percentage but some time it is more effective to show it in currency.

12. Material Handling Damage

This indicator defines material handling performance of manufacturing firm, this gives action on improvement like setting or re designing material handling processes, equipment's used to handle material, special attentions to be taken in the process.

This indicator is calculated as taking cost of materials damaged in handling and dividing it by cost of goods sold, this indicator is measured in percentage.

13. Inventory Accuracy

Real time inventory across stores and distribution centers is identified as one of the operational challenge and critical process (Dixit, 1975)²¹. Inventory accuracy is measured as counting physical inventory (in counts or cost) and then checking actual recorded inventory in system (in counts or cost). Once both values are available then calculate mean absolute error

$$MAE = |\text{Physical inventory} - \text{Recorded inventory}|$$

The inventory accuracy then calculated as

$$\text{Inventory accuracy} = \frac{MAE (\text{Mean Absolute Error})}{\text{Accuate inventory}} \times 100$$

Many firms integrate ABC analysis method with Inventory accuracy or cycle counting, In a simple way ABC includes

A Items – high value and low volume

B Items – Medium value and medium items

C items – Low value and high volume.

Many firms do cycle counting more often to the A parts, at medium frequency to B Parts and less frequency for C parts. On other side due to high value A parts inventory accuracy has very minimum tolerance like 1%, B Parts have little more tolerance like 3% and C parts have more tolerance like 5%.

14. Gross Margin Return on Inventory Investment (GMROI) –

Every organization has expectations of return on the investment, as manufacturing organization is involved in significant inventory investment it is obvious to understand what is return on this investment and if it is good return obviously organization will invest but what if returns are below expectations? GMROI is calculation which calculates return on inventory investment with below method

$$GMROI = \frac{\text{Gross Margin}}{\text{Average inventory Cost}}$$

Where Gross Margin = Revenue – Cost of Goods sold.

To support above formula, if it is quantified as some products in below table with some assumptions, it will be clear to understand return on inventory investment.

| Period - January 2000 | | | |
|-----------------------|--------------------------|-------------------------------|-------------|
| Product name | Gross Margin in Jan 2000 | Average inventory in Jan 2000 | GMROI |
| ABC | 10000 | 2120 | 4.7 |
| DEF | 20000 | 5355 | 3.7 |
| GHI | 40000 | 6999 | 5.7 |
| JKL | 25000 | 1000 | 25.0 |
| MNO | 12000 | 19000 | 0.6 |

| | | | |
|-----|-------|------|------------|
| PQR | 12780 | 3570 | 3.6 |
| STU | 11000 | 3000 | 3.7 |
| VWX | 1000 | 2560 | 0.4 |

Table 1 : Calculation of GMROII (Gross margin return on inventory investment)

GMROII method helps to plan and adjust inventory investment looking at the return to the organization, wherever returns are less it is better to reduce the inventory investment like adjusting safety stocks.

15. Forecast error

Forecast error is the indicator used to understand the performance of previously done forecasting of consumption pattern when compared to actual consumption happened in particular period of time. Forecast error is difference between actual consumption and forecasted consumption.

$$\text{Thus forecast error} = \frac{|\text{Actual demand} - \text{Forecasted demand}|}{\text{Actual demand}} \times 100$$

16. Mean Absolute Percentage Error (MAPE) –

MAPE is a calculation in forecasting methods which is used to understand forecast errors in percentage, the percent forecast error is calculated irrespective it is positive or negative, MAPE gives a insight to understand the potential of forecasting process, sometime forecasts are very accurate (usually when MAPE < 10%) while forecasts may be inaccurate with higher MAPE percent value.

MAPE considers actual forecast and forecasted value and the calculation is done as

$$\text{Mean Absolute Percent Error (MAPE)} = \frac{|\text{Actual demand} - \text{Forecasted demand}|}{|\text{Actual demand}|} \times 100$$

Thus if we quantify it then let's consider Actual demand in last month was 10000 INR and forecasted demand for last month was 9000 INR, then

$$\text{Mean Absolute Percent Error (MAPE)} = \frac{|10000 - 9000|}{|10000|} \times 100$$

Mean Absolute Percent Error (MAPE) = 10%

Thus forecast error was 10%.

To be more specific if MAPE is calculated for individual items than combining for complete SKU (Stock keeping unit), it will give more insights on item level to understand required forecast adjustments

17. Excess and Obsolete Inventory

Excess inventory is the inventory where supply is in excess of demand, where supply is considered as raw material, purchased goods, incoming supply and stock on hand. While demand is customer orders either on firm orders or forecasts. Excess inventory is inventory that is exceeding than demand for specific period of time (period is set by industry). To simplify this definition consider an organization which

considers 12 months in future as a period to define excess inventory and organization has 100 products whose known demand in next 12 months is only 40 products, in this case 60 products are termed as excess inventory.

Obsolete Inventory is one of the risk for any organization, the term obsolete inventory is generally defined as inventory which is at the end of its product life cycle and has not seen any demand in defined period in the past (period is set by industry) as well no demand is known in future. To simplify this definition consider a industry who defined period of one year as no sales is obsolete inventory, then in case if that industry has manufactured certain amount of products on particular day let's say 1st January 2000 and if this inventory has not seen any demand and not sold until 1st January 2001, while those products has nothing as confirmed sales in coming future will turn as obsolete inventory. Obsolete inventory sometime can be termed as dead inventory. Usually obsolete inventory is not sold at standard price, thus it is either sold at lower price or is scrapped and written off in the balance sheet.

18. Cash to Cash Cycle Time

Cash to cash cycle measures amount of time where operating capital is tied up, while it is simply defined as number of days between paying for the materials and for the same material when payment is done by customer.

Cash to Cash Cycle = Materials payment date - Customer order payment date
Usually it is averaged for all orders for a week, month, quarter etc..

Even these are few major Key indicators to measure materials management performance, not necessarily all organizations have it same. While measurement units, terms and criteria's may differ slightly industry wise. There are still many indicators that organization is putting focus on like days sales outstanding, fill rate, freight cost and others but the important aspect behind this topic is to keenly understand measurement of materials management performance.

Conclusion:

Materials management is critical function due to complex activities like mass volume, variety of products, multiple suppliers and customers, variation

of demand, supply, lead times and prices and other factors involved in the planning cycle.

Objectives of materials management function includes low price buying, keeping good inventory turnover, continuity of supply with quality material, increasing firms goodwill, keeping good records of inventory transactions and developing staff to fulfill those objectives. The function is also dealing with departments within organization to support design and development of products, make or buy decisions, material standardization approach and also co-ordinates with purchasing, sales, marketing, engineering, production and finance department for making smooth work flow.

The key indicators studied in this chapter includes Cost reduction, on time deliveries from supplier and on time delivery to customer, Inventory turnover ratio, days on hold, undamaged shipment rate from supplier, customer backorder rate, supplier backorder rate, distribution expense, warehouse capacity, order and documentation accuracy rate, percent of sales lost due to supply issue, material handling damage, inventory accuracy, gross margin return on inventory investment, Forecast error, mean absolute percent error in forecasting, Excess and obsolete inventory, cash to cash cycle

In the business environment today, firms are running with very cut to cut competition, the supply chain area is diverse with key contribution of materials management. To achieve a better materials control in an organization it is required to assess the future pitfalls that can happen and putting the business into risks of high expenditure, customer dissatisfaction, and customer loss. etc. Thus risks in materials management should be accessed periodically and risk should be planned to transfer, mitigate, minimize or to have less effect on firm's objectives. To do the same each organization should have strong and robust measuring mechanism of right metrics with action plans where performance is going off the track.

Limitations of the research paper:

- Each organization has different metrics / calculations, while indicators identified in this paper are generally used, Organizations can alter the concepts based on business nature.
- Research paper do not explain the difference, importance of those indicators with variety of industry like manufacturing, pharmaceutical, FMCG as different metrics has different importance in each of them.

Research Gap.

- Many of the studies are conducted in different manufacturing setups and it has been identified that research is conducted mainly on improving, innovating, exploring gaps of traditional approach of materials management and inventory control, while there are very few research identified in the areas of risk assessment and risk mitigation strategies in materials & inventory area.
- This paper is theoretically and mathematically explaining the key indicators used to measure performance of materials management however lacks explaining integration between those. Similarly there are very few research studies done on industry specific metrics and importance of each metrics with each industry relationship.
- Since key indicators are basic topics of reference books, many researchers do not prioritize to do research on multiple metrics together.
- There are very few models (Like SCOR – Supply chain operational reference) in the market which explains the integrated approach of multiple key performance indicators and very few research studies are conducted to design such models.

References:

1. Gopalkrishnan, P., and Sundaresan, M. (2011). "Materials Management an Integrated Approach". New Delhi: PHI Learning Private Limited.
2. Arnold, J., Chapman, S. N., and Clive, L. M. (2008). Introduction to Materials Management (Sixth Edition). New Jersey: Pearson Prentice Hall.
3. Sheldon, D. H. (2008). Lean Materials Planning and Execution: A Guide to Internal and External Supply Management Excellence. J. Ross Publishing.
4. Indian Institute of Materials Management. (n.d.). Materials Management - Profit Center. Retrieved June 12, 2016, from IIMM: http://iimm.org/ed/index.php?option=com_content&view=article&id=38&Itemid=107
5. Narayan, P., and Subramanian, J. (2008). Inventory Management : Principles and Practices (pp. 34-42). New Delhi: EXCEL BOOKS.
6. APICS. (n.d.). APICS Executive Briefing: . Retrieved Dec 08, 2015, from apics-pdx:<http://apicspdx.org/images/downloads/P>

- [DM/pdm_sept2012_demandforecasting_and_inventoryplanning.pdf](#)
7. Cognizant. (2011, Dec.). Cognizant.com. Retrieved July 16, 2015, from New Framework for Safety stock Management: Whitepaper by Cognizant– “New Framework for safety stock management” Dec 2011, P 2-4, retrieved from <https://www.cognizant.com/InsightsWhitepapers/A-New-Framework-for-Safety-Stock-Management.pdf>
 8. P. Gopalakrishnan and M. S. Sandilya. (1981). Inventory Management – Text and Cases – S. G. Wasani, New Delhi.
 9. Butman, J. (1997). In Juran: A lifetime of influence (p. 143). JOHN WILEY and SONS, INC.
 10. Gopalakrishnan, P. (2006). In Purchasing and Materials Management (pp. 70-82). New Delhi: Tata McGraw Hill.
 11. Okes, D. (2013). "Performance Metrics: The Levers for Process Management". Milwaukee, Wisconsin: ASQ Quality Press.
 12. Quagini, L., and Tonchia, S. (2010). "Performance Measurement: Linking Balanced Scorecard to Business Intelligence". Springer.
 13. McLean, D. (2015). "Integrated Measurement - KPIs and Metrics for ITSM: A Narrative account". IT Governance Publishing.
 14. Accounting Tools. (2012, April 9). How to calculate cost of goods sold. Retrieved Dec 12, 2014, from [accountingtools.com: http://www.accountingtools.com/questions-and-answers/how-to-calculate-the-cost-of-goods-sold.html](http://www.accountingtools.com/questions-and-answers/how-to-calculate-the-cost-of-goods-sold.html)
 15. Shah, J. (2009). "Supply Chain Management : Text and Cases". Chennai: Pearson Education.
 16. Dixit, S. (1975). "E-Retailing Challenges and Opportunities in the Global Marketplace". Business Science Reference.
 17. Chandra Bose, D. (2006). In Inventory Management (pp. 32-40). New Delhi: Prentice Hall of India Private Limited.
 18. Gopalakrishnan, P., and Haleem, A. (2015). In Handbook of Materials Management (pp. 135-147). Delhi: PHI Learning Private Limited.
 19. Dhoka, D., and Choudary, L. (2013, November - December). "XYZ" Inventory Classification and Challenges. IOSR Journal of Economics and Finance, Volume 2 (Issue 2), PP 23-26.
 20. APICS. APICS Magazine. Retrieved April 12, 2016, from APICS OMBOK FRAMEWORK : <http://www.apics.org/apics-for-individuals/apics-magazine-home/resources/ombok/apics-ombok-framework-table-of-contents/apics-ombok-framework-5.9>
 21. Key Performance Indicators for Inventory. (n.d.). Retrieved Dec 16, 2015, from Materials Management: <http://www.materialsmanagement.info/inventory/inventory-performance-indicators.htm>
 22. Klipfolio. (n.d.). Supply Chain Metrics and KPIs. Retrieved Dec 12, 2015, from Klipfolio: <https://www.klipfolio.com/resources/kpi-examples/supply-chain#gref>

A STUDY OF CUSTOMER SATISFACTION LEVEL TOWARDS DANTKANTI TOOTHPASTE

Somesh Tamachikar

ABSTRACT

This study directed to know the customer satisfaction level towards Patanjali Dantkanti toothpaste. The fundamental target of to recognize the different factor impacting customers in buying of Patanjali Dantkanti, to know the customer satisfaction level of Dantkanti (Toothpaste). Information was gathered from 19 respondents, Information was gathered through organized poll with five point rating scale question. Optional information was gathered from accessible writing sources.

Keywords: Patanjali Dantkanti, Customer Satisfaction, Patanjali.

Introduction:-

Patanjali Dantkanti toothpaste is home grown toothpaste containing herbs and some ayurvedic ingredients. It enhances the wellbeing of the teeth and gums. It shields the teeth and gums from contamination. Customary brushing of teeth utilizing this toothpaste can counteract holes in the tooth. It can likewise avoid and diminish torment in the gums and teeth. The herbs found in this medication are compelling in keeping up the quality of teeth and gums. It gives an invigorating scent and can enable individual to dispose the terrible breadth. Individuals experiencing gingivitis caused by the irritation of gums can likewise utilize this toothpaste to control the disease. Baba Ramdev's Dantkanti toothpaste is said to be totally a home grown piece and it is valuable in dental security.

Advantages of Patanjali Dantkanti toothpaste:

- Ayurvedic product, contains parcel of normal concentrates
- Easily available
- Affordable cost

- Good taste smell
- Gives invigorating feel
- Comes in great amount, 200 gms keeps going long even an utilizing it twice day by day.

Customer satisfaction level can be estimated utilizing overview methods and surveys. Essentials goal of the examination was to know the customer satisfaction towards Patanjali Dantkanti toothpaste.

Market Share:- A year of faltering growth didn't stop, Baba Ramdev backed Patanjali Ayurved Ltd. From eating into the share of larger rivals, including market leader Colgate Palmolive India Ltd, In India's Rs.10,000 Crores toothpaste market.

Patanjali's share double in the year through March to 7.4 percent, according to Nielson data source from the industry. Most of it came at the expense of Colgate Palmolive and Pepsodent and Close-up manufacturer Hindustan Unilever Ltd. Colgate Palmolive volume share fell from 55.1 percent to 53.4 percent during this period and compares with the highest ever 57.8 percent in 2015.

Toothpaste Volume Market Share:

| Name of Company | March-18 | March-17 |
|-------------------|----------|----------|
| Colgate India | 53.4 | 55.1 |
| HUL | 17.3 | 19.0 |
| Dabur India | 15.4 | 15.0 |
| Patanjali Ayurved | 7.4 | 3.7 |

Millions now used Patanjali Products made by the company, helping it becomes the nation's number 2 consumer goods makes about Rs.10,500 crores sales

in 2016-17. Dant Kanti (Sanskrit for shining teeth) a muddy-brown herbal toothpaste that leaves a tingling taste, is the second-biggest contributor to

© SBPIM

MBA 1st Year, S.B. Patil Institute of Management, Pune.

Contact No. :

Email Id:

its revenue. It has made a bigger impact outside metros in tier 1,2 and 3 cities. Consumer in these areas have switched to using Patanjali toothpaste. Literature Review:- Consumer Satisfaction has been a main stream subject in showcasing practice and scholastic research Cardozo’s (1965). Starting investigation of client exertion, desires and fulfillment.

In spite of numerous endeavors to quantify and clarify consumer satisfaction, there still does not seem by all accounts to be an accord with respect to its definitions (Giese and Cote-2000). Customer satisfaction is typically characterized as a post utilization evaluative judgment concerning a particular item or administration.

Research Methodology:-

Collection of data: Primary data.

Research design: Descriptive Research design.

Population: Organization of employees (Sample size-19)

Objective of the study:

- To study and understand the concept of Patanjali Toothpaste.
- To identify the various factors influencing customer in purchase of the toothpaste.
- To analyze the customer satisfaction level.

Scope of the study:

- Toothpaste helps keep your teeth spotless and sound, gives you pleasant breathe anticipate against plaque, holes, gums illness and keep teeth white.
- A few people used to experience the ill effect of abundance fluoride content in toothpaste. Indians are profoundly pulled in towards patanjali products.

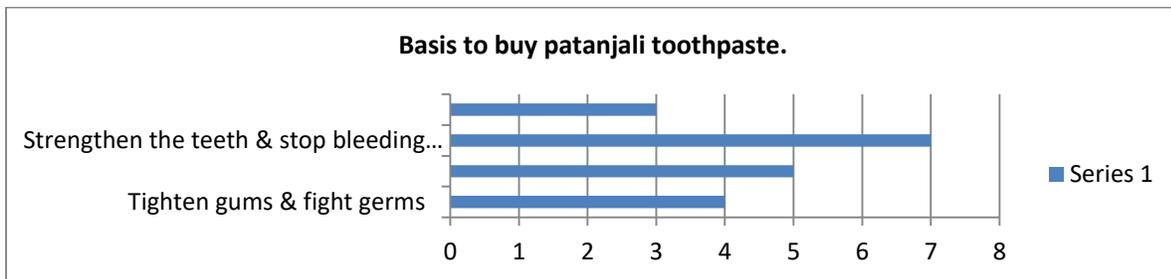
Limitations of the study:

- Toothpaste helps keep your teeth perfect and solid, gives you pleasant breathe anticipates against plaque, pits, gums illness and keeps teeth white
- Fluorine is known to cause medical problem, yet non-flourine toothpaste is accessible.

Data analysis:

Question 1

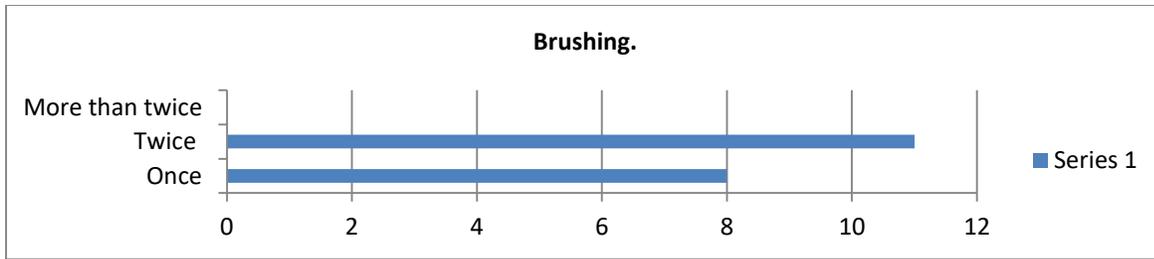
| | | | | |
|--|-------|-----------|---------|-------|
| On what basis do you buy Patanjali toothpaste? | Taste | Ayurvedic | Quality | Price |
| | 2 | 17 | - | - |



From the above table it was observed that 2 respondent buy patanjali toothpaste on the basis of taste and 17 respondents buy patanjali toothpaste on the basis of ayurvedic.

Question 2

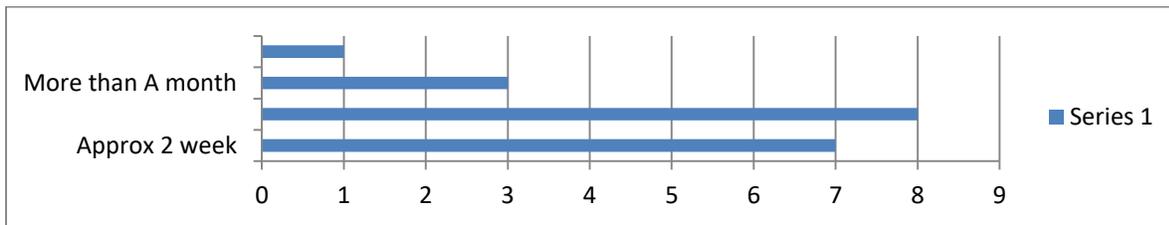
| | | | |
|------------------------------------|------|-------|-----------------|
| How many times do you brush a day? | Once | Twice | More Than Twice |
| | 8 | 11 | - |



From the above question it was observed that 8 respondents brush once in a day and 11 respondents brush twice a day

Question 3

| How long does a toothpaste of 200 gm (patanjali) last for you? | Approx week | 2 | A month | More than A month | More than a week |
|--|-------------|---|---------|-------------------|------------------|
| | 7 | 8 | 3 | 1 | |

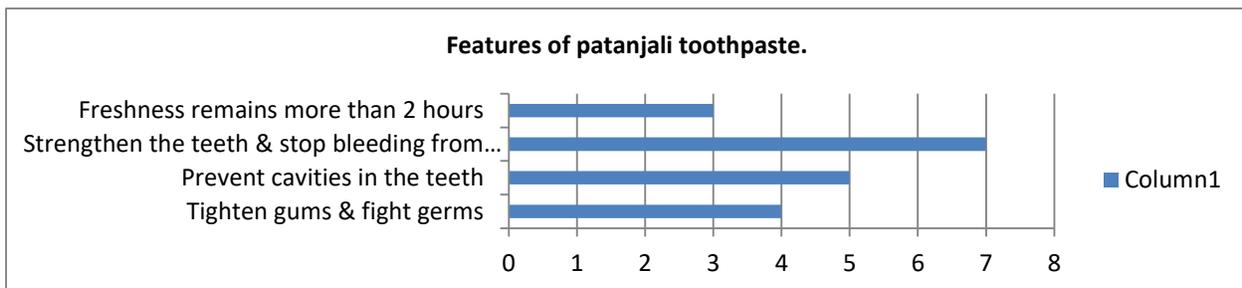


From the above table it was observed that 7 respondents patanjali toothpaste of 200 gm last approx 2 weeks and 8 respondents patanjali toothpaste of 200 gm last for a month and 3

respondents patanjali toothpaste of 200 gm last for more than a month and 1 respondent patanjali toothpaste of 200 gm last for more than a week.

Question 4

| Which of the following features of patanjali dantkanti toothpaste attracts you? | Tighten gums & fight germs | Prevent cavities in the teeth | Strengthen the teeth & stop bleeding from gums | Freshness remains more than 2 hours. |
|---|----------------------------|-------------------------------|--|--------------------------------------|
| | 4 | 5 | 7 | 3 |



From the above table it was observed that 4 respondents are attracted towards dantkanti toothpaste due to feature that it tighten gums & fight germs 5 respondents are attracted towards dantkanti

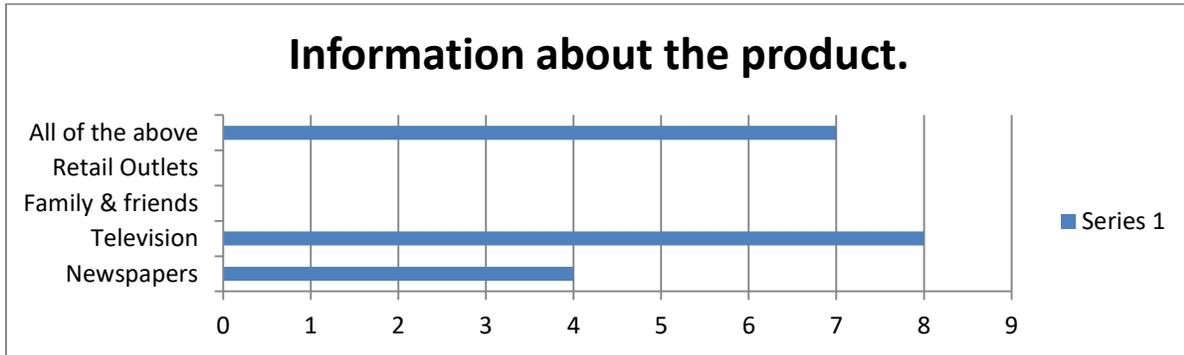
toothpaste due to feature that it prevent cavities in the teeth. 7 respondents are attracted towards dantkanti toothpaste due to the

feature that it strengthen the teeth and stop bleeding from gums .3 respondents are attracted towards

dantkanti toothpaste due to the feature that its freshness remains more than two hours.

Question 5

| | | | | | |
|--|-----------|------------|------------------|----------------|------------------|
| From where do you get the information about the product? | Newspaper | Television | Family & Friends | Retail Outlets | All of the above |
| | 4 | 8 | - | - | 7 |

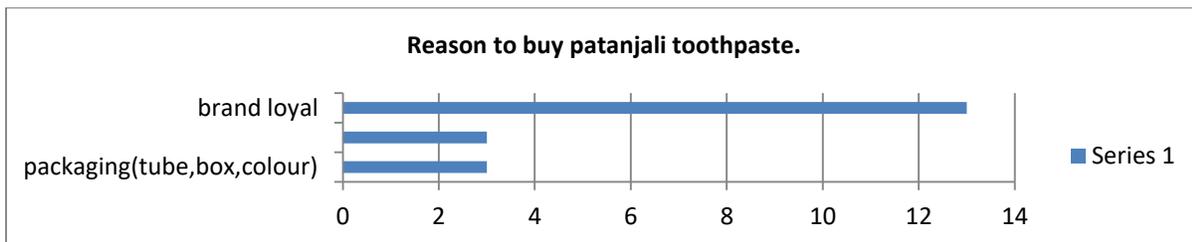


From the above table it was observed that 4 respondents got the information about the product from newspapers.8 respondents got the information

from the television.7 respondents got the information about the product from all of the given options

Question 6

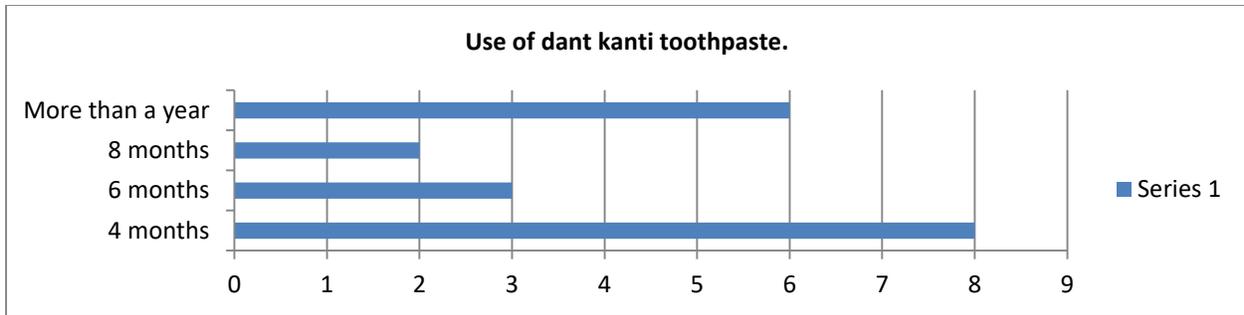
| | | | |
|--|------------------------------------|---------|-------------|
| What attracts you to buy patanjali toothpaste? | Packaging(tube,box,color of paste) | Flavour | Brand loyal |
| | 3 | 3 | 13 |



From the above table it was observed that 3 respondents buy the toothpaste due to packaging.3 respondents buy the toothpaste due to flavour.13 respondents buy the toothpaste due to brand loyalty.

Question 7

| | | | | |
|---|----------|----------|----------|------------------|
| Since how long your family is using dantkanti toothpaste? | 4 Months | 6 Months | 8 Months | More than a year |
| | 8 | 3 | 2 | 6 |

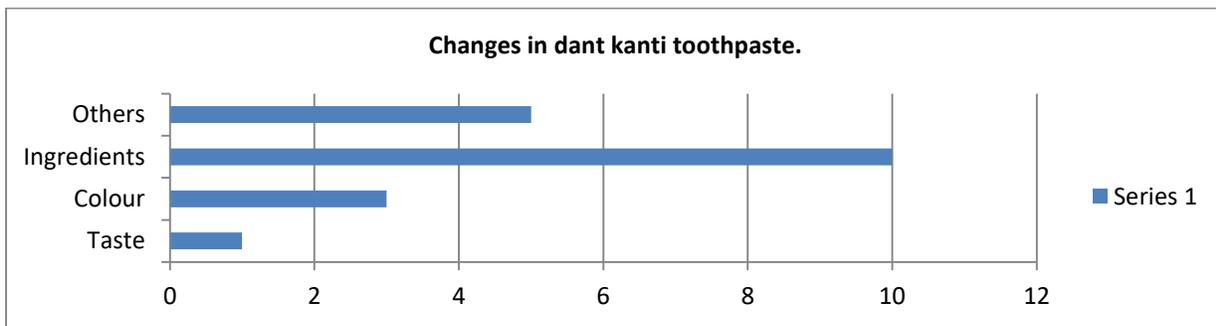


From the above table it was observed that 8 respondents are using dantkanti toothpaste from four months.3 respondents are using from six months

2 respondents are using from eight months 3 respondents are using from more than a year.

Question 8

| According to you which of the following changes should be made in dantkanti toothpaste? | Taste | Color | Ingredients | Others |
|---|-------|-------|-------------|--------|
| | 1 | 3 | 10 | 5 |

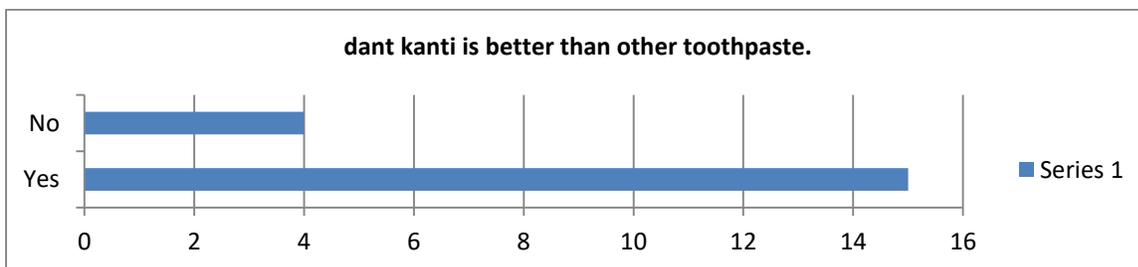


From the above table it was observed that according to 1 respondent changes should be made in taste in dantkanti toothpaste.3 respondents says changes should be made in colour of the paste.10 respondents

says changes should be made in ingredients of the paste and 5 respondents says others changes should be made

Question 9

| Do you think that dantkanti is better than other toothpaste? | Yes | No |
|--|-----|----|
| | 15 | 4 |

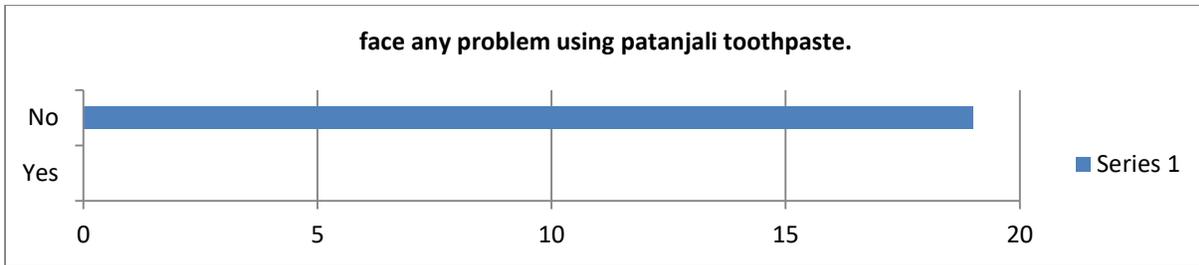


From the above table it was observed that 15 respondents says that dantkanti toothpaste is better than other toothpaste.4 respondents says that

dantkanti toothpaste is not better than other toothpaste.

Question 10

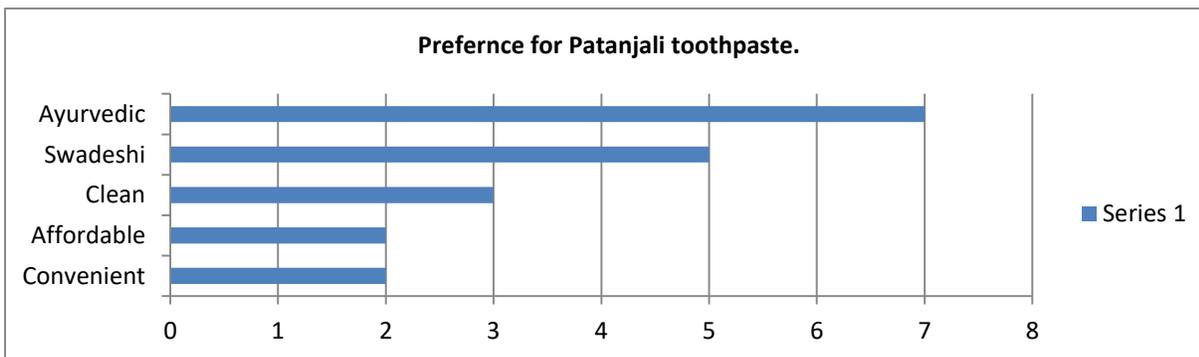
| | | |
|---|-----|----|
| Have you face any problem using patanjali toothpaste? | Yes | No |
| | - | 19 |



From the above table it was observed that 19 respondents have not faced any problem while using patanjali toothpaste.

Question 11

| | | | | | |
|---|------------|------------|-------|----------|-----------|
| Please indicate the reason why you prefer patanjali toothpaste? | Convenient | Affordable | Clean | Swadeshi | Ayurvedic |
| | 2 | 2 | 3 | 5 | 7 |

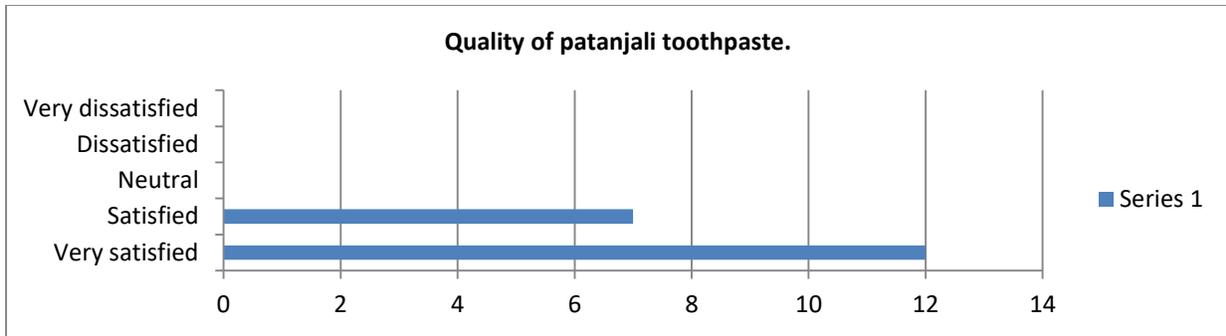


From the above table it was observed that 2 respondents prefer dantkanti toothpaste because it is convenient.2 respondents prefer because it is

affordable.3 respondents prefer it because it is clean.5 respondents prefer because it is swadeshi.7 respondents prefer because it is ayurvedic

Question 12

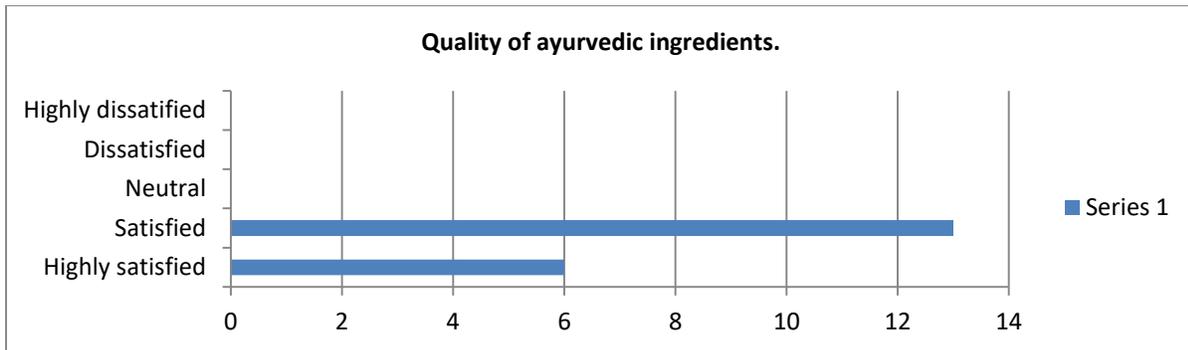
| | | | | | |
|--|----------------|-----------|---------|--------------|-------------------|
| You are highly satisfied with quality of patanjali toothpaste. | Very satisfied | Satisfied | Neutral | Dissatisfied | Very dissatisfied |
| | 12 | 7 | - | - | - |



From the above it was observed that 12 respondents are highly satisfied with patanjali toothpaste and 7 respondents are satisfied with patanjali toothpaste.

Question 12.1

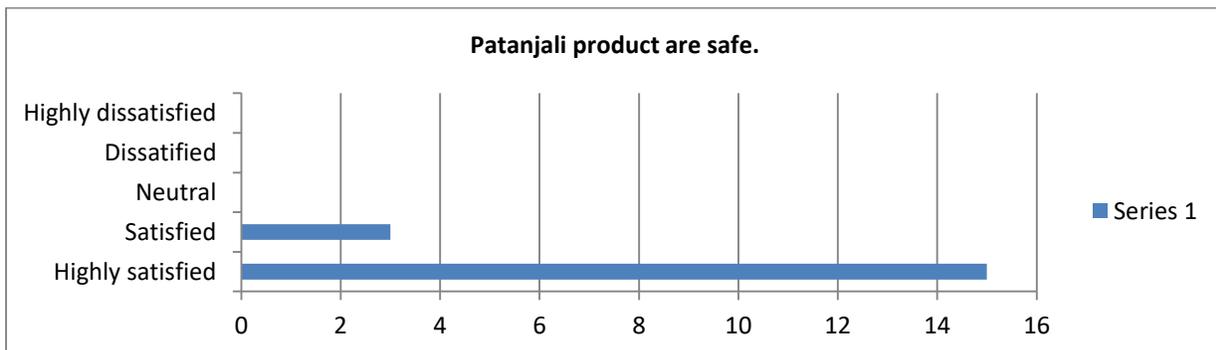
| You are using patanjali toothpaste because of quality of ayurvedic ingredient. | Very satisfied | Satisfied | Neutral | Dissatisfied | Very dissatisfied |
|--|----------------|-----------|---------|--------------|-------------------|
| | 6 | 13 | - | - | - |



From the above table it was observed that 6 respondents are satisfied with quality of ayurvedic ingredients. 13 respondents are highly satisfied with the quality of ayurvedic ingredients.

Question 12.2

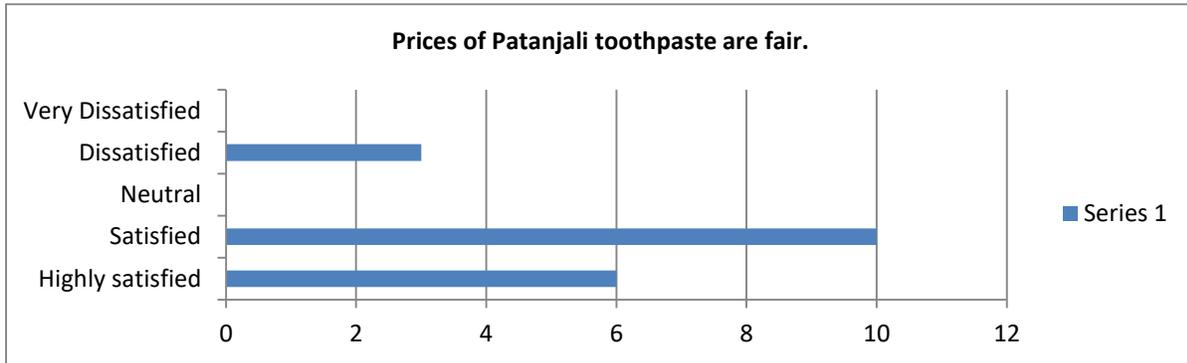
| According to you patanjali product are safe. | Very satisfied | Satisfied | Neutral | Dissatisfied | Very dissatisfied |
|--|----------------|-----------|---------|--------------|-------------------|
| | 15 | 3 | - | - | 1 |



From the above table it was observed that 15 respondents are highly satisfied that patanjali product are safe.4 respondents are satisfied that patanjali product are safe .

Question 12.3

| | | | | | |
|--|----------------|-----------|---------|--------------|-------------------|
| The prices of patanjali toothpaste are fair. | Very satisfied | Satisfied | Neutral | Dissatisfied | Very dissatisfied |
| | 6 | 10 | - | 3 | - |

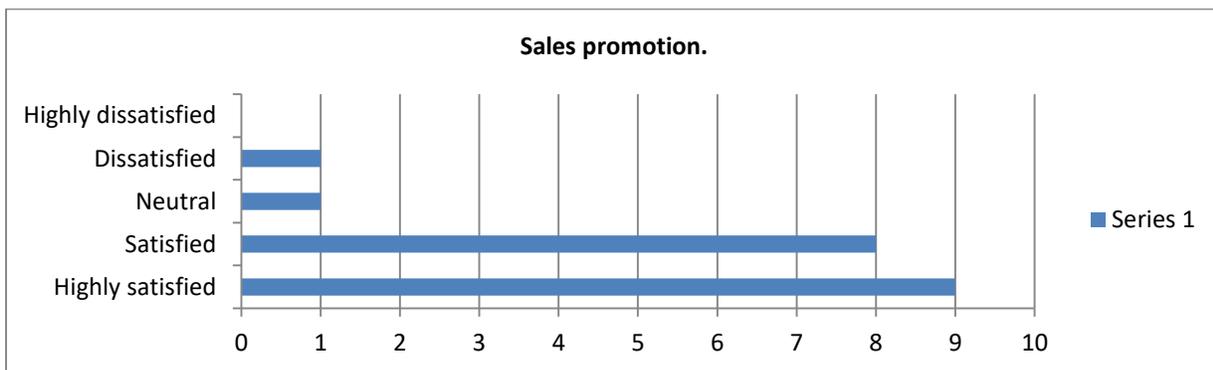


From the above table it was observed that 6 respondents are highly satisfied with the prices of patanjali toothpaste.10 respondents are satisfied

with the prices of patanjali toothpaste and 3 respondents are dissatisfied with the prices of toothpaste.

Question 12.4

| | | | | | |
|------------------|----------------|-----------|---------|--------------|-------------------|
| Sales promotion. | Very satisfied | Satisfied | Neutral | Dissatisfied | Very dissatisfied |
| | 9 | 8 | 1 | 8 | - |

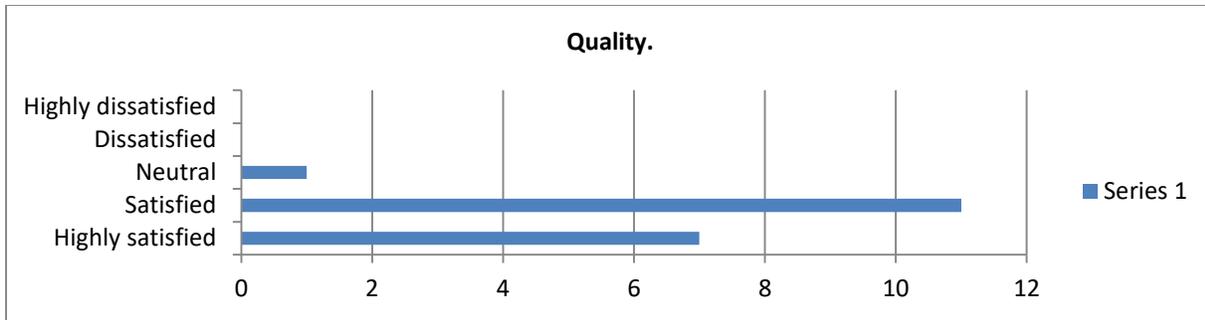


From the above table it was observed that 9 respondents are highly satisfied with sales promotion of dantkanti toothpaste.8 respondents re satisfied

with sales promotion where as 1 respondent is neutral and 1 respondent is dissatisfied with sales promotion.

Question 12.5

| | | | | | |
|----------|----------------|-----------|---------|--------------|-------------------|
| Quality. | Very satisfied | Satisfied | Neutral | Dissatisfied | Very dissatisfied |
| | 7 | 11 | 1 | - | - |

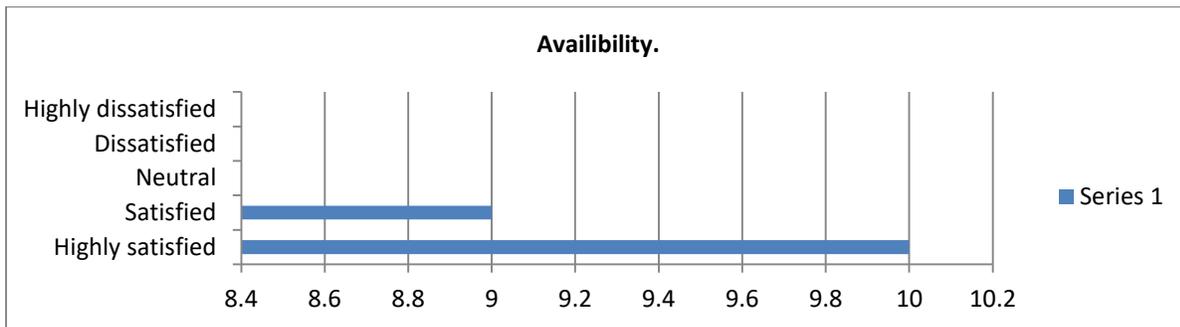


From the above table it was observed that 7 respondents are highly satisfied with the quality of patanjali toothpaste.11 respondents are satisfied

with the quality of toothpaste.where as 1 respondent is neutral with quality of toothpaste.

Question 12.6

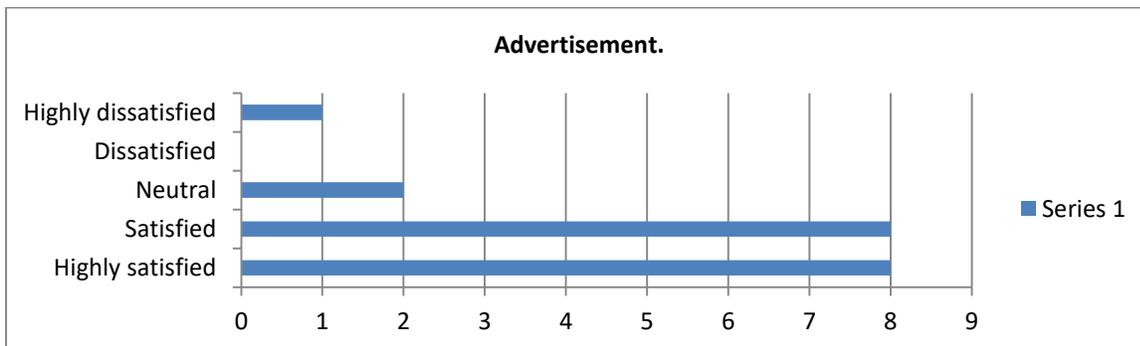
| Availability. | Very satisfied | Satisfied | Neutral | Dissatisfied | Very dissatisfied |
|---------------|----------------|-----------|---------|--------------|-------------------|
| | 10 | 9 | - | - | - |



From the above table it was observed that 10 respondents are highly satisfied with the availability of patanjali toothpaste where as 9 respondents are satisfied with the availability if toothpaste.

Question 12.7

| Advertisement. | Very satisfied | Satisfied | Neutral | Dissatisfied | Very dissatisfied |
|----------------|----------------|-----------|---------|--------------|-------------------|
| | 8 | 8 | 2 | - | 1 |



From the above table it was observed that 8 respondents are highly satisfied with the advertisement of patanjali toothpaste.8 respondents are satisfied with the advertisement of patanjali

toothpaste.2 respondents are neutral whereas 1 respondent is highly dissatisfied with the advertisement of patanjali toothpaste.

Results and Discussions:

- Majority of the respondents buy Patanjali toothpaste on the basis of Ayurvedic.
- Majority of the respondents brush twice a day.
- Majority of the respondent's toothpaste of 200 gm last for 1 month.
- Majority of the respondents are attracted by the feature of strengthening the teeth and stop bleeding from gums provided by Patanjali toothpaste.
- Majority of the respondents got the information of the product from television.
- Majority of the respondents buy Patanjali toothpaste because of brand loyalty
- Majority of the respondent's family are using Dantkanti toothpaste since 4 months
- Majority of the respondents said that changes in the ingredients of Dantkanti toothpaste should be made.
- Majority of the respondents said that Dantkanti is better than other toothpaste.
- Majority of the respondents do not face any problem using Patanjali Dantkanti toothpaste.
- Majority of the respondents prefer Patanjali Dantkanti toothpaste because of the Swadeshi reason.
- Majority of the respondents are highly satisfied with Patanjali Dantkanti toothpaste.
- Majority of the respondents are satisfied with the quality of ayurvedic ingredients in Dantkanti toothpaste.
- Majority of the respondents were highly satisfied with the Patanjali products.
- Majority of the respondents are satisfied with the prices of Patanjali Dantkanti toothpaste.
- Majority of the respondents are highly satisfied with the sales promotion of Patanjali Dantkanti toothpaste.
- Majority of the respondents are satisfied with the quality of Patanjali Dantkanti toothpaste.
- Majority of the respondents are highly satisfied with the availability of Patanjali Dantkanti toothpaste.
- Equal number of the respondents is satisfied with the advertisement of Dantkanti toothpaste.

Bibliography:

1. Leon.G.Schiffman (1999) customer satisfaction print ICE hall of India.
2. Philip Kotler (2000) marketing management
3. www.google.com
4. <https://www.patanjaliayurved.net/product/natural-personal-care/dentalcare/toothpaste/dantkanti>

IMPACT OF EFFECTIVE AUDIT CONTROL ON FINANCIAL PERFORMANCE OF CO-OPERATIVE SOCIETY – A LITERATURE REVIEW

Pratik Dhulkar
H. D. Throat

ABSTRACT

The study is intended to understand the impact of audit and other internal and external controls on the performance of an organization. A review of 20 research works was carried out. It has been observed that effective audit and well established internal controls affect the performance of a business unit. These controls and governing factors have positive impact on the performance of an organization. The different research articles and research studies revealed the positive correlation between the financial performance of an organization and the various internal and external controls, audit. Effective auditing was found to be helpful in improving the performance of an organization. Majority of the studies have recommended independence of audit function, selection of efficient and well expert audit staff in order to achieve better financial results.

Keywords: Financial performance, Audit & Corporate Governance

Introduction:

In today's business world, the ownership is separated from the management. The owners have less or no control on day today functioning of an organization. Different stakeholders have different and sometimes contradictory vested interests in the organization. In such a situation a well-established governance systems and effective control mechanism becomes imperative and audit and other internal and external controls are important.

The basic intent of the study is to understand the linkage between factors like internal control, audit and the financial performance of an organization.

The study is carried out to understand the magnitude of the research work carried out with respect to the financial performance of a business unit and effectiveness of audit as a control measure with special reference to cooperative banks.

Research methodology:

The study is based on available literature extracted from different database. This is a qualitative study intended to understand the impact of audit and other controls on the financial performance of an organization. The literature review includes 15 research articles from national and international journals, 4 theses submitted to different universities and 1 white paper.

Literature Review: Indira R.

The research work was intended to analyze and appraise the financial performance of cooperative banks in Tumkur district, Karnataka. In the opinion of the author the reasons for introduction of cooperative movement in India were the failure of "Taccavi" loan [short term loan provided to poor farmers for purchase of seeds, fertilisers etc.] and the aggrieved indebtedness of farmers. Cooperative banks played an important role in the process of financial inclusion. Eight years data of cooperative banks of Tumkur district has been analyzed using CAMELS Method. Camels rating or CELS ratings is a supervisory rating system used in US for analysing overall performance of banks. The author revealed that the cooperative banks lack in professionalism and independence in decision making. Ineffective management and lack of autonomy in decision making resulted into financial illness of these banks. **Ejoh, Ndifon Ojong and Ejom, Patrick Ekponta** The research work dealt with the effect of internal audit on financial performance of tertiary institutions of Nigeria with particular reference to Cross River State College of Education, Akamkpa. The authors have used survey method, a structured questionnaire was administered and data from 75 respondents was collected. The study revealed

© SBPIM

Ph.D. Scholar, S. B. Patil Institute of Management Research Centre, Pune.

Contact No. : 9823176752

Email Id: pratik.dhulkar@gmail.com

Research Guide S. B. Patil Institute of Management Research Centre, Pune.

Contact No. : 9822214776

Email Id: hdthorat@yahoo.co.in

that financial performance of these institutes has no significant effect of the internal audit function. The study revealed flows in the audit model and the functioning of audit department of the college. The authors recommended the professionalism and expert staff for internal audit department. Using Z score statistics the study concluded that internal audit function has no significant influence on the financial performance of the institutions. The study revealed that the college has an effective internal audit system however inadequate staff, proper staff training were the areas of concern which affect the efficiency. **Ali Baba Solomon** The study was carried out with the objective of analyzing the impact of external audit on the performance of NGOs in the Bolgatanga Municipality. The data for the study was collected through questionnaire and through interviews of 64 respondents. It has been observed that the compliance of the recommendations and suggestions of external auditors are not enforced by the management. The audit reports were not disclosed to the stakeholders. The author has observed no impact of external audit on the accountability and transparency of the performance of the NGOs. The author has recommended that the appointment of external auditor should not be in the hands of the management but the auditor should be appointed by the board or by the donors of the NGOs. **Ebrahim Mohammed Al-Matari and Abdullah Kaid Al-Swidi Malaysia** The study was focused on 4 components of internal audit system and their impact on the performance of the organisation. According to the authors, the qualification of the head of internal audit department and also the qualification of the internal audit team have greater impact on the performance of the organization. Secondly; the number of personnel in the internal audit department also influences the performance of the organization. The authors also observed a positive relationship between the number of years' experience of the internal auditors and the firm's performance. This study is an attempt to reveal the relationship between different characteristics of internal audit department and the firm's performance. **Dr. P. Sanjeevi and Mr. P. ManojBabu Visakhapatnam** The study attempts a comparative performance analysis of scheduled and non-scheduled urban cooperative banks in India. According to the research work on an average there are 53 scheduled and 1613 nonscheduled urban cooperative banks. The performances of these banks were analyzed using some ratios as operational performance indicators and financial performance indicators. It

has been observed that the operational performance of scheduled banks is better and improving as compared to the non-scheduled banks. According to the author, the scheduled banks have taken high level of risk. The financial performance of both the types of bank does not differ significantly. In the opinion of the authors, efficient utilization of funds and assets, proper management of borrowings, deposits, improving productivity of employees will help in improving the efficiency of the banks. **M. S. Bhatt and Showkat Ahmad Bhat** The authors have evaluated the technical efficiency of the cooperative banks of J&K using data envelopment analysis. Data was collected for a period of 7 years from 8 cooperative banks. Deposits, number of employees, loans and advances and investments are the parameters used for analysing the performance of the banks. It has been observed that these banks have inadequate ploughed up capital, leading to dependency on external borrowings. Poor loan recovery, high NPAs and lack of skilled staff were the causes hampering the efficiency of these banks. Proper attention has to be warranted to check the diversion and misuse of bank credit. Proper management of credit, loan recovery, strengthening the capital base and improving employee skills are the requisites for improving the efficiency of these banks. **Anil Kumar Soni and Abhay Kapre** The study is based on the data collected for a period of 5 years from the District Central Cooperative Bank Rajnandgaon, Chhattisgarh. 17 parameters were used for analysing the performance. Growth rate analysis has been carried out for these parameters. It has been observed that all parameters show evidence of positive growth rate, however highest growth rate was observed in case of investment. The authors have suggested that the bank has to increase the banking network in business area, improve the loan policy, bring in innovative deposit schemes to attract more deposits. They have also suggested that the bank should bring in accountability and transparency in the implementation of schemes. However the authors have also appraised the bank for its continuous efforts for the development of the rural masses and for its vital role in credit disbursement in the district. **Nancy Mora Ondieki** The study dealt with the effect of internal audit on financial performance of commercial banks of Kenya. A structured questionnaire was administered for collecting information from 20 senior managers of commercial banks. It has been observed that the internal audit standard, professional competency, internal control and independence of the internal

auditors clearly influence the performance of the banks. All these factors have positive impact on the performance of these bank, thus better the internal control, better the proficiency and independence of the internal auditor higher will be the performance of the bank. The author has recommended effective internal audit system in the commercial banks of Kenya for enhancing the financial performance of these banks. **Musa Adeiza Farouk and Shehu Usman Hassan** The study was intended to understand the impact of the number of auditors and also the impact of the independence of auditors on the financial performance of selected cement manufacturing organisations. The secondary data was collected from 4 cement firms of Nigeria for the period 2007 to 2011. Multiple Regression analysis was carried out for analysis of the data. An audit fee is considered as a measure of auditors' independence and profitability of the firm as a measure of financial performance. In the opinion of the authors, both auditor size and independence which represent the quality of audit work have a major impact on the financial performance of the firms. Between the two auditors independence plays a vital role as compared to the audit size, though both have influence on the performance of the firm. Some of the other influencing factors according to the authors are the qualification and tenure of the auditors, auditors' opinion and so on.

Sudarsan Nayak

In the opinion of the author Indian cooperative movement is the largest in the world with respect to the membership and cooperative network. Cooperatives play an important role in dealing with the problems like poverty, unemployment and food security and most importantly non availability of institutional credit for remotely located rural, tribal areas. However due to some inherent weaknesses like poor governance, poor management, ineffective resource mobilization etc. survival of cooperatives is at stake in the competitive world of globalization. Scientific planning, strong information and marketing network, Efficient and effective management of resources are some of the factors suggested by the author for the survival of cooperatives in today's scenario. **Dr. M. R. Ingle** As per the suggestion of a British officer Nicholson the first cooperative society Act was enacted in 1904 which enabled the formation of agricultural credit cooperative society. Gradually as per the need of the hour the act was repealed or reframed. Year's together cooperative remains the backbone of rural social and economic activities. However in the globalization era cooperatives are facing multidimensional problems leading to its survival

at stake. Resource mobilization and management is the major issue faced by many cooperatives. The study revealed that the inherent structural weaknesses combined with withdrawal of government support are the major causes of the incompetent state of the cooperatives. **Guruprasad C. L.** The study is based on primary data was collected from 60 members and 60 officials of each of the two primary credit societies and secondary data was collected for a period of 28 years (1985 to 2013). Out of the two primary credit societies; one was from irrigated area and the other was from dry area. Analysis of data was carried out using growth rate analysis, CAGR, Garrett ranking technique etc. The Return on assets and the loan recovery was found to be better in case of society of irrigated area than the one of dry area. The respondents were of the opinion that political interference and favouritism were the major constraints for these societies. There found a need of simplified loan procedure. Higher income of members and better management helped the credit society of irrigated area to outperform the society of dry area. The author has suggested that the government should implement policies to reduce political interference. Lack of agricultural inputs and improper distribution of these inputs, lack of storage facility and complicated loan procedure were the major issues of the members of the society of dry area. Transaction costs of services hired from society of irrigated area were found higher. **Morteza Ziaee** The study was intended to analyze the relationship between audit quality and financial performance of the firm Period of audit, experience and reputation of the auditors are the independent variables used to evaluate the quality of audit along with the financial performance of the firm as dependent variable. All the three independent variables were found to be positively correlated with the financial performance where in auditors' experience dominates the other two factors. **Paul Eric Byrnes, Abdullah A-Awadhi, Benita Gullvist, Helen Brown Liburd and others** The white paper focuses on the evolution of audit discipline. The traditional approach of auditing was backward looking approach. Problems or grey areas were identified long after their occurrence. It's a sort of post-mortem work. And sometimes the problems remained undetected as superficially the things were going satisfactorily. Auditing as a practice was carried out after the industrial revolution. With the increase in the volume of business activities, the need for the detection mechanism was warranted. Auditing became obligatory in US after the crash of stock market in 1929. As per the traditional approach of auditing, the auditor and auditee

through a contractual assignment decide the scope and objectives of the audit, the data being collected, analysed, audited manually and a formal report was produced by the auditor to the auditee. This approach incurred high costs and longer time. It was tedious and not suited to voluminous business activities. Even after automation of accounting process, auditing remained a manual process for a few years. However the huge volume of activities and diversified nature of businesses, compel the audit process to adopt automation. Different computer aided audit programmes were introduced to bring in the automation in auditing function. The introduction of Computer aided audit tools (CAAT) like AUDITAPE by Haskins, General Auditing Software (GAS). This automation remarkably improved the efficiency and affectivity of auditing process. However to gain the benefits of the potential utility of a robust auditing system the accounting system have to be robust. The use of specific applications or apps is the further addition to the futuristic modern approach of auditing. To cope up with the future requirements, according to the authors, certain changes are inevitable such as adaption of new technology, audit timing, audit pattern, re-examination of concepts and so on. **Curtis C Verschoor** The study supports the proposition that the concepts underlying Social and Ethical Accounting Auditing and Reporting (SEAAR) are important to corporate social performance. The objective of the study was to analyse the linkage between the emphasis on corporate social and ethical accountability with the superior financial performance. The performance analysis was carried out using eight financial measures like total return, sales growth, profit growth, net margin and return on equity. The study was based on data collected from 500 top US publically held companies. The study revealed that there found to be a significant linkage between the emphases on ethical and socially responsible behaviour on one hand and the favourable financial performance on the other hand. The author has suggested that the adoption of SEAAR should significantly help the companies to maintain proper balance between the needs and interests of each stakeholder group. **Suraj Ilham Ali** The study is based on primary and secondary data collected for 46 micro finance institutions, through questionnaire and financial statements. The author has found a positive relationship between the independence of internal auditor, competency of internal auditor and the financial performance of the micro finance institution. The factors affecting the financial performance of micro finance institutions, as explained by the author are saving portfolio,

firm's characteristics, loan portfolio and dividend policy. The impact of internal audit standards, independence of internal auditor, professional competence and internal control as the independent variables was studied on financial performance as dependent variable. It has been observed that all independent variables have positive correlation with the dependent variable. The author has recommended that all micro finance institutions of Kenya should comply with the best internal audit practices, should employ competent internal auditors and adhere the best practice by securing independence of the internal auditor. **Kartar Singh and RS Pundir** India is predominantly an agro based economy with the largest network of cooperatives in the world. Cooperative sector is the most suitable organization type for the socio- economic pattern of India, particularly rural India. Though in some cases cooperatives proved to be a better solution, many a time it suffered from internal and external constraints. Welfare of the members of the cooperative society is the basic motive of any cooperative unit. However many a times it has been observed that to fulfill the objective of welfare of the members, the cooperatives loses their business instinct. Their passive approach for profit making and earning fare return on their investment led to their incompetency as a business unit. The cooperatives have to pay attention towards better earning in order to sustain in the market. **Dr. M. R. Ingle** The rural indebtedness and non-availability of cheap and easy source of finance in rural India gave birth to cooperative movement in India. During British era the first cooperative society act was enforced in 1904. This was resulted into establishment of the credit cooperative societies in rural area. The subsequent amendments and modifications were made to the initial legislature as per the requirement of the time. Even after the globalisation era from 1991, cooperative remained on the background and retained its position in different fields. However the globalisation brought many challenges for cooperatives. The cooperatives have to compete with the multinational big private units, the government has also withdraw the support given to cooperatives gradually. According to the author the future vision of cooperatives should be based on the efficiency parameters. **Nelius Wangui Muchiri and Ambrose Jagongo** The study was intended to understand the effect of corporate governance and of audit committee on financial performance. It's a case study of Kenya Meat Commission (KMC) as the data was collected from 50 management staff of KMC. The authors have revealed that there was insignificant impact of audit committee on financial

performance of the unit. The findings of the study were contradictory with the findings of other research study, wherein the internal audit function was found to be an influential factor on organisational financial performance. In the opinion of the authors this insignificant influence of internal audit was due to insufficient staffing of internal audit department. The authors have recommended independence of internal audit function and improvement of competency of staff of the internal audit department. **Sim Chia Hua, DawTin Hla, Abu Hassan Md Isa** The basic intent of the study was to analyse the impact of the financial reporting practices of the firms on their financial performance and financial success. The study is based on secondary data collected for listed construction companies for a period of 4 years. The audit quality was assessed based on the firm's engagement with established audit firms and the return on asset was used as a measure of financial performance. It has been observed that FRS has a positive and significant correlation with the financial performance of a firm. Improvement in implementation of FRS and hiring established or trained auditing firms will affect the quality of financial performance as opined by the authors.

Conclusion:

It has been observed that effective audit and well established internal controls affect the performance of a business unit. These controls and governing factors have positive impact on the performance of an organization. The different research articles and research studies revealed the positive correlation between the financial performance of an organization and the various internal and external controls, audit. Effective auditing was found to be helpful in improving the performance of an organization. Majority of the studies have recommended independence of audit function, selection of efficient and well expert audit staff in order to achieve better financial results.

References

1. A study on financial performance of co-operative banks in Tumkur district:
by Indira R. Karnataka ELK Asia Pacific Journals – Special Issue ISBN: 978-81-930411-0
2. The effect of internal audit function on the financial performance of tertiary Institutions in Nigeria: by Ejoh, Ndifon Ojong and Ejom, Patrick Ekponta: International Journal of Economics, Commerce and Management United Kingdom Vol. II, Issue 10, Oct 2014 ,ISSN 2348 0386
3. The impact of external audit in accountability and transparency of NGOs in the Bolgatanga municipality: by Ali Baba Solomon A thesis submitted to Department of Accounting and Finance Kwame Nkrumah University of Science and Technology School of Business for MBA (Accounting) 2015
4. The Effect of the Internal Audit and Firm Performance: A Proposed Research Framework by Ebrahim Mohammed Al-Matari and Abdullah Kaid Al-Swidi Malaysia International Review of Management and Marketing, Vol. 4, No. 1, 2014, pp.34-41 ISSN: 2146-4405
5. Operational and financial performance of urban cooperative banks in India by Dr. P. Sanjeevi and Mr. P. ManojBabu Visakhapatnam, Journal of Advance Management Research, ISSN: 2393-9664 Vol.05 Issue-05, December2017 (Special Issue) Impact Factor: 4.73
6. Financial Performance and efficiency of cooperative banks in Jammu and Kashmir (India) by M. S. Bhatt Professor, Department of Economics, Jamia Millia Islamia, New Delhi and Showkat Ahmad Bhat Department of Economics, Jamia Millia Islamia, New Delhi
7. Journal of Co-Operative Accounting and Reporting, V2, N1, summer 2013
8. "Financial Performance of District Central Cooperative Bank Limited Rajnandgaon: Growth Rate Analysis" by Anil Kumar Soni and Abhay Kapre Govt. V.Y.T. Auto. PG College Durg, Chhattisgarh, Pandit Sunder Lal Sharma Open University, Bilaspur, Chhattisgarhi.
9. Golden Research Thoughts Volume 2, Issue. 4, Oct 2012 ISSN:-2231-5063
10. "Effect of internal audit on financial performance of commercial banks in Kenya" by Nancy Moraa Ondieki //D63/75745/2012
11. Research project submitted in partial fulfilment of the requirements for the award of the degree of Master of Science in Finance, University of Nairobi. November 2013.
12. "Impact of Audit Quality and Financial Performance of Quoted Cement Firms in Nigeria" by Musa Adeiza Farouk and Shehu Usman Hassan International Journal of Accounting and Taxation June 2014, Vol. 2, No. 2, pp. 01-22 ISSN: 2372-4978 (Print), 2372-4986 (Online)
13. "Challenges before the Co-operatives" By Sudarsan Nayak Orissa Review * December – 2004
14. "Challenges before the Indian cooperative movement under the globalization era." by Dr. M. R. Ingle International Referred Research Journal, October, 2010. ISSN- 0974-2832 Vol.II *ISSUE-2
15. "An economic analysis of performance of primary agricultural credit cooperative

societies in Maddur Taluk, Mandya district of Karnataka” by Guruprasad, C. L. Thesis submitted to the University of Agricultural Sciences, Bengaluru, in partial fulfilment of the requirements for the award of the degree of Master of Science (agriculture) in Agricultural economics Bengaluru July, 2015.

16. “The effect of audit quality on the performance of listed companies in Tehran Stock Exchange” by Morteza Ziaee International Letters of Social and Humanistic Sciences Vol. 21 (2014) pp 36-43 Online: 2014-02-08

IMPACT OF ELECTRONIC BANKING ON INDIAN BANKING SECTOR

Kulkarni Savita Mairalpant
D. D. Pawar

ABSTRACT

The present research paper is focuses on impact of electronic banking on Indian banking sector. The e-banking has come to be recognized as a virtual necessity to face the imminent challenges owing to globalization and liberalization of the economy. A wide range of services are being offered by banks using technology.

The Indian Banking Industry is undergoing a paradigm shift in scope, context, structure, functions and governance. The information and communication technology revolution is radically and perceptibly changing the operational environment of the banks. Technology has emerged as strategic resources for achieving higher efficiency, control of operations, productivity and profitability. Technology not only plays an important role in development and introduction of new products and facilities like ATMs., tele-banking, internet banking etc. but also plays a pivotal role in terms of achieving operational efficiency. Technology also aids in the asset liability management process by enabling the top management to decide on product pricing in a competitive scenario.

Keywords: Electronic Banking, Banking Technology, Consumers, Banking Industry, Economy.

INTRODUCTION:

The e-banking has come to be recognized as a virtual necessity to face the imminent challenges owing to globalization and liberalization of the economy. A wide range of services are being offered by banks using technology.

The Indian Banking Industry is undergoing a paradigm shift in scope, context, structure, functions and governance. The information and communication technology revolution is radically and perceptibly changing the operational environment of the banks. Technology has emerged as strategic resources for achieving higher efficiency, control of operations, productivity and profitability. Technology not only plays an important role in development and introduction of new products and facilities like ATMs. Tile-banking, internet banking etc. but also plays a pivotal role in terms of achieving operational efficiency. Technology also aids in the asset liability management process by enabling the top management to decide on product pricing in a competitive scenario.

Technology has brought about a complete paradigm shift in the functioning of banks and delivery, of banking services. Gone are the days when every banking transaction required a visit to the bank branch. Today, most of transactions can be done from the comforts of one's home and

customers need not visit the bank branch for anything. Technology is no longer an enabler, but a business driver. The" growth of the internet, mobiles and communication technology has added a different dimension to banking. The information technology (IT) available today is being leveraged in customer acquisitions, driving automation and process efficiency, delivering" ease and efficiency to customers. Many of the IT initiatives of banks started in the late 1990s, or early 2000, with an emphasis on the adoption of core banking solutions (CBS), automation of branches and centralization of operations in the CBS. Over the last decade, most of the banks completed the transformation to technology-driven organizations. Moving from a manual, scale-constrained environment to a global presence with automated systems and processes, it is difficult to envisage the adverse scenario where the sector was in the era before the reforms, when a simple deposit or withdrawal of cash would require a day. ATMs, mobile banking and online bill payments facilities to vendors and utility service providers have almost obviated the need for customers to visit a branch. Branches are also transforming from operating as transaction processing points into relationship management hubs.

© SBPIM

K.L.E. Society's Commerce College, Shiraguppi, Tal-Athani, Dist-Belagavi, Karnataka-591242.

Contact No. :

Email Id

Research Guide, Research Scholar, DCRC, Arts, Commerce & Science College, Narayangaon, Pune.

Contact No. :

Email Id:

CONCEPTUAL BACKGROUND

The world is changing at a staggering rate and technology is considered to be the key driver for these changes around us. An analysis of technology and its uses show that it has permeated in almost every aspect of our life. Many activities are handled electronically due to the acceptance of information technology at home as well as at workplace. Slowly but steadily, the Indian customer is moving towards the internet banking. The ATM and the Net transactions are becoming popular. But the customers clear on one thing that he wants net-banking to be simple and the banking sector is matching its steps to the march of technology. E-banking or Online banking is a generic term for the delivery of banking services and products through the electronic channels such as the telephone, the internet, the cell phone etc. The concept and scope of e-banking is still evolving. It facilitates an effective payment and accounting system thereby enhancing the speed of delivery of banking services considerably.

Technology is the key with which the door to a new world can be opened. The bank can achieve every one of the objectives mentioned above provided they adopt the fruits of technology available to us today. The absorption of technology has changed the face of banking elsewhere in the world. We have no doubt that a similar transformation can be brought about in India as well. While embarking upon large scale programme mechanization, it is not enough to consider only the functions to be mechanized and the types of equipment's needed for mechanizing these functions. The problems associated with transaction from the old system to the modern mechanized system have to be anticipated and tackled suitably. The geographical spread of banking business is highly skewed and the infrastructural facilities are also unevenly developed in different territories. In relation to the magnitude of the task involved, banks will require some time to create awareness about the computer culture within the managements and employees and develop necessary resource.

Electronic banking is one of the truly widespread avatars of E-commerce the world over. E-banking refers to electronic banking. It is like E-business in banking industry. E-banking is also called as "Virtual Banking" or "Online Banking". E-banking is a result of the growing expectations of bank's customers. E-banking involves information technology based banking. Under this IT system, the banking services are delivered by way of a Computer-Controlled System. This system does involve direct interface with the customers. The customers do not have to visit the bank's premises. Online banking can simply be defined as the process of entering into

transactions by a particular client and the bank using modern technology. With the various capabilities of the computer and other technological developments, online banking is one of the many businesses that benefited from it. Since banking plays a very important role in the economy of a nation, then there is truly a need to maximize and improve its features to be client friendly and easy to access.

The story of technology in banking started with the use of punched card machines like Accounting Machines or Ledger Posting Machines. The use of technology, at that time, was limited to keeping books of the bank. It further developed with the birth of online real "time system and vast improvement in telecommunications during late1970's and 1980's.it resulted in a revolution in the field of banking with "convenience banking" as a buzzword. Through Convenience banking, the bank is carried to the door step of the customer. The 1990's saw the birth of distributed computing technologies and Relational Data Base Management System. The banking industry was simply waiting for the technologies. Now with distribution technologies, one could configure dedicated machines called front-end machines for customer service and risk control while communication in the batch mode without hampering the response time on the front-end machine.

Intense competition has forced banks to rethink the way they operated their business. They had to reinvent and improve their products and services to make them more beneficial and cost effective. Technology in the form of E-banking has made it possible to find alternate banking practices at lower costs. More and more people are using electronic banking products and services because large section of the banks future customer base will be made up of computer literate customer, the banks must be able to offer these customer products and services that allow them to do their banking by electronic means. If they fail to do this will, simply, not survive. New products and services are emerging that are set to Change the way we look at money and the monetary system.

OBJECTIVES OF THE RESEARCH STUDY:

The said research study was carried out with following objectives in view:-

1. To study the concept of Electronic Banking.
2. To study the impact of E-Banking on Indian Banking Sector.
3. To study the Advantages and Disadvantages of Electronic Banking.

HYPOTHESIS:

The main hypothesis of the said research paper is as follows:

1. Indian banking system developed enormously after independence, particularly after nationalization of banks there has been a multi-dimensional development.
2. Due to adoption of E-Banking services numbers of transactions are increased.
3. Electronic banking is one of the truly widespread avatars of E-commerce the world over.

RESEARCH METHODOLOGY:

For the present research study the data pertaining to the above objectives was collected on the topic concerned. The literature was thus collected by visiting various libraries. Some Government offices were also visited for getting office record and statistical data. The secondary data is also collected from various websites.

With the above objectives keep in mind the instructed Interview Method and Desk Research Method was basically adopted. Researcher interviewed 90 branch managers of private & nationalized banks. The opinions of 90 branch managers are analysed and results are drawn. The Secondary Data is collected from various reference books related to Banking System, Banking Technological Sectors, Modern Banking, E-Banking, Commerce & Management, and Banking etc. For said research study secondary data is also collected from the National and International Research Journals which are related to Commerce, Management, and Banking etc.

ADVANTAGES OF E-BANKING:

The advantages of E-Banking Services are as follows :

1) Advantages to Consumers

General consumers have been significantly affected in a positive manner by E-banking. Many of the ordinary tasks have now been fully automated resulting in greater ease and comfort.

- a. Customer's account is extremely accessible with an online account.
- b. Through Internet Banking customer can operate his account while sitting in his office or home. There is no need to go to the bank in person for such matter.
- c. All services that are usually available from the local bank can be found on a single website.
- d. Banks are available for 24 hours a day, seven days a week and they are only a mouse click away.

- e. Customer can withdraw at any time through ATMs that are, now widely available throughout the country.
- f. Besides withdrawing cash customers can also have mini banks statements balance inquiry at these ATMs.
- g. E banking has also greatly helped in payment of utility bill. Now there is no need to stand in long queues outside banks for this purpose.
- h. The Growth of credit card usage also owes greatly to E-banking. Now a customer can shop worldwide without any need of carrying paper money with him.

2) Advantages to Banking Industry

Banking industry has also received numerous benefits due to growth of E-Banking infrastructure. They are highlighted below:

The growth of E-banking has greatly helped the banks in controlling their overheads and operating cost.

- a. The rise of E-banking has made banks more competitive. It has also led to expansion of the banking industry, opening of new avenues for banking operations.
- b. The reach and delivery capabilities of computer networks, such as the Internet, are far better than any branch network.
- c. Electronic banking has greatly helped the banking industry to reduce paper work, thus helping them to move the paper less environment.
- d. Electronic banking has also helped bank in proper documentation of their records and transactions.
- e. Many repetitive and tedious tasks have now been fully automated resulting in greater efficiency, better time usage and enhanced control.

3) Benefits to General Economy

Electronic Banking as already stated has greatly serviced both the general public and the-banking industry. This has resulted - in creation of a better enabling environment that supports growth, productivity and prosperity. Besides many tangible benefit in form of reduction is cost, reduced delivery time, increased efficiency, reduced wastage, E-banking electronically controlled and thoroughly monitored environment discourage many illegal and illegitimate practices associated with banking industry like money laundering, frauds and embezzlements. Further E-banking has helped banks in better monitoring of their customer base. It is a useful tool in the hand of the bank to device suitable commercial packages that are in conformity with customer needs. As E-banking

provides opportunity to banking sector to enlarge their customer base, a consequence to increase the volume of credit creation which results in better economic condition. Besides all this E-banking has also helped in documentation of the economic activity of the masses.

DISADVANTAGES OF E-BANKING:

The disadvantages of E-Banking Services are as follows:

1) Security

Direct banks are subject to the same laws and regulations as traditional banks and accounts are protected by the FDIC. Sophisticated encryption software is designed to protect your account information but no system is perfect. Accounts may be subject to phishing, hacker attacks, malware and other unauthorized activity. Most banks now make scanned copies of cleared checks available online which helps to avoid and identify check fraud. It enables verification that all checks are signed by the customer and that dollar or euro amounts have not been changed. The timely discovery of discrepancies can be reported and investigated immediately.

2) Bank Relationship

A traditional bank provides the opportunity to develop a personal relationship with that bank. Getting to know the people at your local branch can be an advantage when a customer needs a loan or a special service that is not normally offered to the public. A bank manager usually has some discretion in changing the terms of customer's account if the customer's personal circumstances change. They can help customers solve problems such as reversing an undeserved fee. The banker also will get to know the customer and his unique needs. If the customer has a business account, this personal relationship may help if the customer needs capital to expand. It's easier to get the bank's support if there is someone who understands customer's business and vouch for his operating plan,

3) Transaction Issues

Sometimes a face-to-face meeting is required to complete complex transactions and address complicated problems. A traditional bank can host meetings and call in experts to solve a specific issue. Moreover, international transactions may be more difficult (or impossible) with some direct banks. If a customer deposits cash on a regular basis, a traditional bank with a drive-through window - may be more practical and efficient.

4) Service Issues

Some direct banks may not offer all the comprehensive financial services such as insurance and brokerage accounts that traditional banks

offer. Traditional banks sometimes offer special services to loyal customers such as preferred rates and investment advice at no extra charge. In addition, routine services such as notarization and bank signature guarantee are not available online. These services are required for many financial and legal transactions.

CONCLUSION:

In recent time E-banking has spread rapidly all over the globe. All Banks are making greater use of E-banking facilities to provide better service and to excel in competition. The spread of E-banking has also greatly benefited the ordinary customer in general and corporate world in particular. Technology in the form of E-banking has made it possible to find alternate banking practices at lower costs. More and more people are using electronic banking products and services because large section of the banks future customer base will be made up of computer literate customer, the banks must be able to offer these customer products and services that allow them to do their banking by electronic means.

REFERENCES:

1. Majumdar, Ramanuj, Product Management in India, Prentice-Hall of India Pvt. Ltd., 2004.
2. Payne, Adrian, The Essence of Service Marketing, Prentice-Hall of India Pvt. Ltd., 1995.
3. Kotler, Philip, Armstrong, Gary, Principles of Management, Pearson Education (Singapore) Pvt. Ltd., 2004.
4. Pezzullo, Mary Ann, Marketing Financial Services, American Bankers Association, Indian Institute of Bankers, 1999.
5. Madhukar R. K., Dynamics of Bank Marketing, Sri Sudhindra Publishing House, 1990.
6. Louis W. Stern and Adell El-Ansary, marketing Channels.
7. Meidan, Arthur, Bank Marketing Management, Macmillan Publishers Ltd., 1984.
8. Mukherjee D.D., Credit Appraisal Risk Analysis and Decision Making, Snow White Publications P. Ltd., Mumbai.
9. Patodiya S.N., Practical Problems on Banking, Amit Publication, Jaipur.
10. Kotler, Philip, Marketing Management, Pearson Education (Singapore) Pvt. Ltd., 2003.
11. www.jaspi.justice.gov.sk
12. www.banky.sk
13. www.aboulola.com/E-Banking

INNOVATION IN BUSINESS SUCCESS: “A CONCEPTUAL ADVANCEMENT IN BUSINESS SUCCESS THROUGH CREATIVE HUMAN RESOURCES

Satish Shrikrishna Chinchorkar

ABSTRACT

Traditional optimization and improvement techniques or measures are not just sufficient for any business to survive and sustain in this competitive and globalisation era. Creative disruptions are shaking every industry and business. Global competition is fierce. The business and jobs security is a thing of the past. An Innovative and Creative skill in Human Resources is the key of the Business Success. In fact a vital factor of Innovation and Creativity is a people. In the uncertain, dynamic and unique business environment the only innovative and creative ideas that coming from the working human resources can brings a realistic and competitive success to the business.

The attempt of this paper is to establish the relationship between Innovation, Human Resources and Business Success.

Key Words: Innovation, Creativity, Human Resources

Introduction

A lot of forums, news and articles it is being deliberated about rapid changes in nature of business that may be caused due to globalization, very fast and continuous technology enhancements and more demanding customers. With the death of traditional career paths, so goes the kind of traditional professional development previous generations enjoyed (Hoffman, 2012). You can no longer count on employer sponsored training to enhance your communications skills or expand your technical know-how. The expectation for even junior employees is that you can do the job you've been hired to do upon arrival or that you learn so quickly you'll be up to speed within weeks. Whether you want to learn new skill or simply be better at the job you were hired to do, it's now your job to train and invest in yourself. Companies don't want to invest on you, in part because you're not likely to commit years and years of your life to working there. HR (Human Resources) instruments to affect organizational innovation outcomes and thereby the business success. While the management practices that support creative and innovative thinking may be less straightforward than managing task-oriented, routine jobs, their use may ultimately turn out to be more rewarding for managers and human resource professionals not only because these practices highlight the importance of effective human capital management as a driver of value, but also because constructing an environment

where creative skills and abilities thrive may lead to greater employee engagement, motivation and success.

In such uncertain scenario the question is that can innovative and creative ideas be right solution for business success? Further question is who need to be creative the entrepreneur or human resources? This paper introduces the concept of firm-level creative capital to bring greater understanding to the HRM-innovation link at the organizational level. Innovation management traditionally works with different theoretical perspectives when explaining the possible role of HRM

1. Literature Review

Innovation is undoubtedly considered of crucial importance for organizations in terms of survival (Dess & Picken, 2000). Not only global competition plays a role, also such factors as ageing populations, increasing product variety and shortening lifecycles contribute to the increasing importance of innovation in western economies (Nooteboom & Stam, 2008).

Traditionally deciding where you want to be in ten years and then formulating a plan for getting there might work if the environment were unchanging. However in current scenario the environment is very unstable. Today, many firms are competing in a turbulent dynamic environment characterized by constant and rapid changes in products offered on the market. A firm's capability of renewal is considered important for both survival and future

© SBPIM

Professor, Symbiosis Skills and Open University, Pune.

Contact No. : 9822406187

Email Id: amolkhedkar1@gmail.com

prosperity; as such, firms rely on their product innovation ability (Andersson, 2007). According to Peter Drucker, innovation is the specific tools of entrepreneurs, the means by which they exploit changes as an opportunity (Hoffman et al 2011). They Defined creativity is defined as the creation of ideas which leads to outputs. Thought they focused on the linkage between creativity and innovation and hence on the impact on the organizational culture along with motivation systems used in enterprises, ultimately it impacts the business success. Identity is a concept used in multiple levels of abstraction, such as individual-, group-, and, organizational identity (Whetten, 2006), conceptualized with diverging definitions. The author Amabile (Ambile, 1997) has developed a componential theory of organizational creativity, in which along with individual creativity importance is given to 'team creativity'.

As documented in "In Search of Excellence" (Peters & Waterman, 1982). The most significant lesson learned was that the success criteria for excellence comprised '2Ss' related to hardware (strategy and structure) and '5Ss' related to the software of the organization (style, systems, staff (people or human resources), skills and shared values). The first '2Ss' comprise partnership and processes, and the last '5Ss' are related to people. To be excellent in business required that the companies become excellent in both the hardware and the software of the organization.

According to Dahlgaard and Dahlgaard (1999) business excellence (or success) is defined and achieved through 'the 4Ps' as follows:

- excellent people, who establish
- excellent partnerships (with suppliers, customers and society) in order to achieve
- excellent processes (key business processes and management processes), to produce
- excellent products, which are able to delight the customers.

According to Dalota and Perju (2005), internally consistent HRM practices need to be developed to affect employee's behaviours towards innovative approach. However, in their paper they also warn that innovation in wrong direction may not yield the business success. Creative ideas does not born just like that, carefully prepared HRM practices creates innovative behaviour in people. Jorgensen (2009) attempted to explore HRM practices in innovative, knowledge-intensive firms. Panigrahi and Pradhan (2015) tried to relate the various factors and practices of HR system that promotes the cultures and climate for creativity among the employees.

Girdauskiene et al (2012) explained how HRM practices can control the artistic talents behind innovative people, illustrating the main HRM functions in a creative organization. These papers focused more on HRM practices.

Innovation is a multidimensional and continuous process. The importance of technological interdependence (Rosenberg, 1979), complex and tacit nature of technology.

According to Situngkir (2009) an abstraction of innovation in evolution of economic system can be regarded as a challenge about creativity, but not in the sense of the induction of an idea in the human mind.

2. Objectives of the Study

The main objectives of the study are:

1. To understand a Conceptual Advancement in Business Success through Creative Human Resources
2. To study the relationship between, 'Human Resources', 'Creativity / Innovation' and 'Business Success'

3. Methodology of the Study

This is a conceptual paper with the objectives to study the relationship between, 'Human Resources', 'Creativity / Innovation' and its impact on 'Business Success'. The data used is purely based on secondary data is consolidated from various journals, books and papers.

4. Theoretical Framework

5.1 Business Success:

For some business leaders, success is defined by monetary rewards, while others say success is having a positive impact on others.

"Success is defined for me personally by accomplishing goals, not being motivated by a dollar, but by creating, with creativity, passion, hard work — it often goes hand in hand with financial rewards as well." — Matt Levine, co-owner of Cocktail Bodega, Sons of Essex, The Rowhouse Inn and partner at Brandsway Creative.

The financial rewards that come from being successful in business are of course important to many entrepreneurs, and are key factors in motivating them to work hard and take tremendous risks. But if success can be defined as the feelings of satisfaction and completion you have when your business career is over, success has other dimensions that for many business owners are as significant, or more so, than monetary rewards. 'Business Success' should be the final objective of any business.

4.2 Human Resources:

Looking at individual innovation, the role of human resource management (HRM) was neglected in the literature (Yuan & Woodman, 2010). Human

Resources are typically the personnel of a business or organization, regarded as a significant asset in terms of skills and abilities. Human resources are the people who make up the workforce of an organization, business sector, or economy. The creativity or innovations are applicable to this (people) asset or workforce. Innovation tends to have some specific personal backgrounds: level of education, self-confidence future orientation and leadership affinity.

5.3 Creativity and Innovation:

According to West and Farr (1990, p. 252) innovation is the conception of a new idea, transformed into an invention, and exploited as much as possible, whereas creativity is only the conception of the idea. Not only product innovation is important to maintain a sufficient market share, but also process innovation to produce below price level, and social innovation to ensure a flexible and

sustainable organisation. Although the words innovation and creativity are often used interchangeably, most researchers who specialize in the study of creativity and innovation treat them as separate issues. Many define creativity as an ability to produce original, inventive and valuable work, ideas or concepts, and innovation as the process of bringing these ideas into use. However in this paper both the terms are used interchangeably.

5.4 Conceptual Model for innovation as continuous process

Heunks (1998) explores the role of innovation in relation to the firm's success. However only the conception of the idea is not sufficient for any business success, the human resources who transforms these new ideas into innovation also should be considered. Based on combination of creativity and corresponding human resource the term "creative capital" was introduced in 2002.

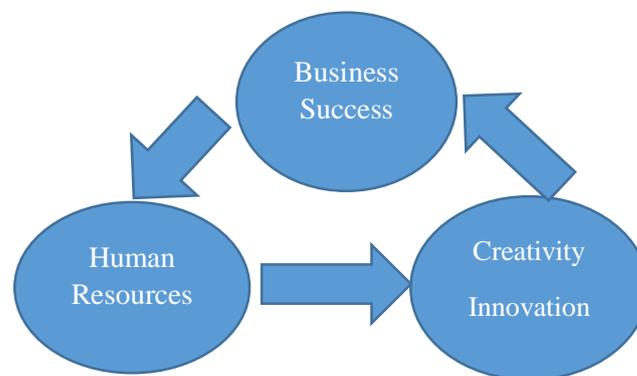


Figure-1: Conceptual Model for innovation as continuous process

Consciously building the creativity in the mind of human resources is continuous and evolutionary process (Curran et al., 2007). This involves the organizational integration of both the ability of its employees to make a valuable contribution to the organization by combining previously unrelated concepts, knowledge, ideas or experiences, as well as the creativity embedded in their relationships, which finally leads business success.

Everyone in an organisation has the ability to think creatively about common day-to-day operational challenges, the organization need to nurture such ability. Most people don't immediately think of creativity and intelligence as a combination. Creativity is often seen as a special gift or capability reserved for naturally talented individuals who work in the arts, while intelligence is usually associated with academia. But the more we explore this area the more we discover that creativity can be expressed in everyday behaviours in any number of ways.

The fact is that Bruce Lee had a specific talent for self-defence unlike any other martial arts expert.

This is because he was both physically creative and physically intelligent. He applied his creative ability to developing new and innovative moves to build his unique form of martial arts. When we look at highly successful individuals who are known for a specific talent we can see something more than mere virtuosity. We see a combination of creativity and intelligence.

Machines or Robots can have (artificial) intelligence but may not have creativity in near future. Therefore the innovation and creativity must be considered in the context of human resources, let it be single person or group of persons.

Creativity and intelligence should be considered together as a combination. Creativity is often seen as a special gift or capability reserved for naturally talented individuals who work in the arts, while intelligence is usually associated with academia.

It is responsibility of HRM to create, maintain and measure the creativity with following areas:

- Divergent thinking, which is the ability to generate multiple ideas and possible solutions to a given problem.

- Convergent thinking, or the ability to correctly identify the single best solution to a problem.
- Artistic assessment, or the assessment of the creativity of artistic products created by an individual.
- Self-assessment, which is based on the person's own view of the level of creativity he or she possesses.

Harvard's creativity professor, Teresa Amabile (1997) posits: "People will be most creative when they feel motivated primarily by the interest, enjoyment, satisfaction, and challenge of the work itself, and not by external pressures or inducements." Which means that each of us could be encouraged to be creative and share ideas if the personal, value systems that drive and motivate us are recognised and rewarded. Creating such environment and culture is one time effort but it is a continuous process.

A number of studies have identified the following major causes of failure of cultivating the innovation and creativity in human resources:

- Unsupportive culture;
- Leaders and managers dismissing ideas too soon;
- Leaders being too risk averse;
- Lack of concrete resources, signalling that the organisation is not taking innovation seriously;
- Hyper standardisation. Innovative thinking is stifled when leaders become prescriptive as to how it must be achieved;
- Lack of practical tools and processes for creative thinking and innovation to happen;
- Lack of a sense of common purpose to innovate.

Veenendaal (2015) in his paper provides a new and integrated approach to understanding, through creative capital, the relationship between human resource management (HRM) and innovation.

5. Conclusion and Managerial Implications

This study has extended the existing literature by reviewing a multiple papers and articles observed that number of parameters impacting the business success, innovative and creative human resources is one of the major factor. Though creativity is also depending upon number of elements such as firm's size, life cycle stage of the firm, environment, flexibility and also the risk taking ability & leadership qualities of individual, it can be concluded that business success of the firm largely depends upon the innovation and creativity of the human resources.

The role of management control instruments to stimulate creativity in human resources towards obtaining the business success, because there is strong relationship between creativity innovation and the human resources. Conceptual advancement in business success merely using the human capital or innovation in isolation, will not be possible. Both need to be considered together for achieving business success.

References

1. Hoffman, R., Casnocha, B. (2012). *The start-up of you*. Crown Business.
2. Glasberg, R., Ouerghemi, K., (2011). *Innovation in Human Resources*. 2011 2nd International Conference on Economics, Business and Management.
3. Amabile, T. (1997, Fall). Motivating creativity in organizations: On doing what you love and loving what you do. *California Management review*, pp. 39-58.
4. Dalota, M., Perju, A. (2005). *Human Resources Management and the Company's Innovation*. Romanian Economic and Business Review – Vol. 5, No. 4
5. Girdauskiene, L., Sakalas, A., (2012). Human Resource Management in a Creative Organization. 2012 International Conference on Economics Marketing and Management
6. Rosenberg, N. (1979). Technological interdependence in the American economy. *Technology and Culture*, 20(1), 25-50.
7. Jorgensen, F., Becker, K., Matthews, J. (2009). *Human Resource Management and Innovation: What are Knowledge-Intensive Firms Doing?*. ISBN 978-90-77360-12-5
8. Panigrahy, N. P., Pradhan, R. K., (2015). *Creativity and Innovation: Exploring the Role of HR Practices at Workplace*
9. Andersson, S. (2007). *Product Innovation Processes: Conceptual and Methodological Considerations*. Lulea University of Technology. ISSN 1402-1757
10. Whetten, D.A. (2006). *Albert and Whetten Revisited: Strengthening the concept of organizational identity*. *Journal of Management Inquiry*, 15(3), 219–234.
11. Heunks, F. J., (1998). *Innovation, Creativity and Success*. Kluwer Academic Publishers
12. West, Michael A. and James L. Farr (eds.), (1990). *Innovation and Creativity at Work; Psychological and Organizational Strategies*. Clichester: Wiley.
13. Situngkir, H. (2009). *Evolutionary Economics Celebrates Innovation and Creativity-Based Economy*. The ICAFI University Press.

14. Curran D, O’Riordan C and Sorensen H (2007), “Evolving Cultural Learning Parameters in an NK Fitness Landscape”, in Almeida e Costa F (Ed.), *Advances in Artificial Life*, Springer, Verlag.
15. Dahlgaard, J. J., Dahlgaard, S. M. P. (1999). *Integrating business excellence and innovation management: developing a culture for innovation, creativity and learning*. Research Group on Quality, Productivity and Innovation, Department of Information Science, The Aarhus School of Business, Denmark.
16. Peters, T. & Waterman, R.H. (1982) *In Search of Excellence. Lessons from America’s Best-run Companies* (Glasgow, Harper Collins).
17. Dess, G.G., & Picken, J.C. (2000). *Changing roles: Leadership in the 21st century*. *Organizational Dynamics*, 28, 18-34.
18. Nooteboom, B., & Stam, E. (Eds.). (2008). *Micro-foundations for innovation policy*. Amsterdam: Amsterdam University Press.
19. Yuan, F., & Woodman, R.W. (2010). *Innovative Behavior in the Workplace: The Role of Performance and Image Outcome Expectations*. *Academy of Management Journal*, 53(2), 323-342.
20. Veenendaal, A. A. R. (2015). *Enhancing Innovation at Work through Human Resource Management*, Ipskamp Drukkers. ISBN: 978-94-625-9672-6

MARKETING OF BANKING SERVICES IN THE GLOBALISED WORLD

Kahane Manjiri Jagdish

ABSTRACT

The present research paper is emphasized on marketing of banking services in the Liberalization, Privatization and Globalized world. It also focuses on challenges before banking sector. Banking sector in fact is the brain of the body economy. Finance refers to the transfer of funds from surplus units to deficit units. In short finance means transfer of funds from savers to investors.

It is well recognized fact that an effective international trading and banking system has a vital role in general economic growth. In the present scenario of international economics, countries have to participate in the imports and exports of not only goods but also of services. Developing countries like India the emerging international trading system can contribute to the economic growth potential significantly. Developed countries tend to dominate with their superior technology and information systems.

Keywords: Marketing, Banking Services, Globalised World, Liberalization, Privatization

INTRODUCTION:

"A customer is the most important visitor in our promises. He is most dependent on us. We are depending on him. He is not an interruption on our work. He is the purpose of it. He is not an outsider on our business. He is part of it. We are not doing a favour by serving him. He is doing as a favour by giving as an opportunity"- Mahatma Gandhi Indian Banking sector is at cross roads today. With the liberalization process in full swing, the consequent policy changes introduced in the Indian banking system with the emerging changes did spring up new challenges of commercial viability cost effectiveness, effective marketing strategy etc. There was an absolute shift from sellers into buyers' market, establishing the consumer as the key factor in the market.

Marketing constitutes the key strategy for banks to retain good customers and also anticipate their future demands.

Bank Marketing is the sum total of business activities, directed at providing services to satisfy customers financial needs and wants, more effectively and efficiently than competitors do, keeping in view the organizational activities of the bank.

In other words "Bank Marketing" is a process, consisting of identifying the most profitable markets now and in future, assessing the present and the future needs of the customers setting business development goals and making plans to meet them and managing various services and promoting them to achieve the plans.

In short Bank Marketing means the sum total of bank activities directed at providing services to satisfy customers financial needs more effectively and efficiently.

OBJECTIVES OF THE RESEARCH STUDY:

The present research study is carried out with the following objectives.

1. To know, understand and study the concept of Bank Marketing.
2. To study the Importance and Need of Bank marketing.
3. To study the use and importance of marketing Mix in Bank Marketing

RESEARCH METHODOLOGY:

The present research study is based on secondary data. For this purpose, the researcher visited various libraries and collected secondary data and summarized it. The researcher also reviewed Management, Economics, Marketing, Banking,

© SBPIM.

Research Scholar, DCRC, Arts, Commerce & Science College, Narayangaon, Pune

Contact No. :

Email Id:

Cooperative Banking, Electronic Banking and Various Websites. The researcher also talked and interviewed the bank managers and bank officers.

NEED OF BANK MARKETING:

1. Awareness Among Customers

Modern technology has made customers aware of the developments in economic environment, which includes the financial system. Financial needs of the customers have grown manifold into various forms like quick cash accessibility, money transfer, asset security, increased return on surplus funds, financial advice, deferred payments etc. With a wide network of branches, even in a dissimilar banking scenario, customers expect the banks to offer more and better services to match their demands and this has compelled banks to take up marketing in right earnest.

2. Quality as a Key Factor

With the opening up of the economy, fast change has been experienced in every activity, and banking has been no exemption. Quality is the watchword in the competitive world, which is market driven and banks have had to face up to this emerging scenario. In fact, it may not be out of place to reiterate that quality will in future be the sole determinant of successful banking ventures and marketing has to focus on this most crucial need of the hour.

3. Profit Orientation

Until recently the performance of commercial bank was gauged on the scale of growth of deposits. A paradigm shift has come about towards other parameters like profit generation, health of asset portfolio etc. and this has compelled the banks to turn their attention to increased profits and higher income earnings.

4. Growing Competition

Increased competition is being faced by the Indian banking industry from within the system with other agencies both, local and foreign, offering value added services. Competition is no more confined to resource mobilization but also to lending and other areas of banking activity. The foreign commercial bank with their superior technology, speed in operations and imaginative positioning of their services has also provided the necessary impetus to the Indian banks to innovate and compete in the market place.

5. Technological Advances

The influence and impact of information technology on banking and the financial sector is immense. Home banking and tele. banking have started making inroads in the country. Technological innovation has resulted in financial product development especially in the international and investment banking areas. The western experience has demonstrated that technology has not only made execution of work faster but also resulted in greater availability of manpower for customer contact.

SPECIAL FEATURES OF BANK MARKETING:

- Banking product cannot be seen or touched like manufactured products.
- In marketing banking products, the product and the seller are inseparable; they together define the banking product.
- Banking products are produced and delivered at the same time; they cannot be stored and inspected before delivering.
- Standardization of banking product is difficult.

MARKETING MIX IN BANK MARKETING:

Marketing mix implies a firm's total marketing program. In other words it refers to the blend of ideas, and novel features which marketing management puts together to appeal to their target market segment. It requires decision making with regard to; product, place, promotion and price.

Marketing mix in bank marketing comprises namely product, Price, Promotion, Place, People,, Physical evidence and process.

1. Product

It is defined as the benefit or benefits that a customer purchases when he or she pays for a supplied product. This embraces both tangible and intangible products.

The products offered by banks are divided into five principal dimensions reflecting to the day-to-day need of the customers. the dimensions are finance, money, advisory, foreign exchange and auxiliary dimensions.

- Financial Dimensions: It consists of services, funding a company's present and future assets. The dimension also involves acquisition of different types of credit, leasing, money market and bond market finance etc.

- **Money Dimension:** It consists of service which is used in day to day transactions.
- **Advisory Dimension:** It consists of products and services which are of an advisory nature and guiding the customers to utilize and implement those in the right manner.
- **Foreign Exchange Dimension:** This dimension is often connected to finance and money dimensions, but here product and service offered are in terms of foreign exchange currency flow.
- **Auxiliary Dimension:** The exchange between banks and their customers also includes several other items. These include tax planning, personal loans, insurance etc. which are auxiliary service provided to customers by banks.

2. Price

In formulating mix, price also plays a very important role. Price in banks relate to interest and fees. The prices is regulated by RBI and Indian Banking Association.

Pricing for banks takes a number of forms:

- Charge for different types of transaction e.g., debits, cheque clearance, standing orders.
- Charge rates for overdrafts/loans.
- Fees for services.
- Interest rates on current / deposits and savings accounts.

3. Promotion

Banks undertake major advertising campaigns continuously. The main purpose of advertising is to create awareness of services available to the customers. Today, many banks are developing promotional activities using sophisticated database to target direct mail campaigns at market segments by suing publicity, sponsorship and other promotional means.

Due to the continuous technological advancement, banks have extended their services even to

remote areas by means of network i.e. ATS's, EFTPOS (Electronic Fund Transfer Point of Sale).

4. Place

Place or location plays a very critical role in the financial service. The service is mainly provided through branches. Even though service can be offered through telephone. it has proved that bank without branch is possible, but customer still need access to the ATM outlets, where

appropriate place is considered. Some customers prefer personal, face-to-face contact, Change in distribution systems, technology and consumer demands are key influences on the evolution of the 'place' component of the marketing mix.

5. People

Customer care is very important to bank employee. Both quality and differentiation in the financial industry is looked up on very seriously. The bank should participate in a number of internal strategic marketing activities, which focus on the role of employee in the delivery of financial services.

Banks are developing and implementing customer care / quality programmes. This is the pre-requisite for success in the organization from top management down the line with effective leadership creating an effective customer-oriented culture.

6. Physical Evidence

Physical evidence is one more marketing mix available to service providers. The service firm must consciously make efforts to manage the physical evidence associated with the services. The need for physical evidence within the marketing mix arises directly from the typically intangible nature of the service.

Product in service itself being intangible, there is a need to tangibilise it as far as possible. Physical entities can be successfully employed to describe the service product and its distinguishing qualities. The potential customers form impressions about the service organizations on the basis of physical evidence like brochures, stationary, equipment, furniture, building etc. It helps the organization to reinforce the proposed position and image of the organization.

7. Process

This is the seventh component of marketing mix. In a service organization, the system by which the target audience receives delivery of the service constitutes the process. In other words, the process by which the service is produced and delivered to the ultimate customer in critical to the success of service operation. The process of a delivery function which can be compared with that of operations management implies the conversion of input into output. But in service organizations there is no clearcut input or output.

Rather is the process of adding 'value' or 'utility' to system inputs to create output which are useful to the customers.

CONCLUSION:

The banking system is on the threshold of a momentous era of change and continuity in growth and development, of individual customer needs and corporate practices, technology and competitions. The role of marketing in the banking industry continues to change. For many years the primary focus of bank marketing was public returns., Then the focus shifted to advertising and sales promotion. That was followed by a focus on the development of a sales culture. Now the focus is on the individual customer meeting and even anticipating his or needs and developing trusting, long-term relationships by delivering high quality personalized service. Marketing both as a philosophy and an activity, is expected to contribute immensely to the realization of goals both immediate and future. All through all the

elements of the marketing concept customer satisfaction, profit integrated framework, and social responsibility must receive the greatest emphasis in the years ahead.

REFERENCES:

1. Cavey, T.R.A., Banks and marketing, 'The International Journal of Bank Marketing', Vol.7, No.3, 1989, pp. 8-13.
2. P.N. Reddy et al. 'Services Marketing', Himalaya publishing house, 2000, Chapter 16 Marketing Services, pp. 307-311.
3. Baby M.D. 'marketing of Banking Services: Yesterday, Today and Tomorrow', 'Financial Sector Reforms in the Worlds', Serials Publications, New Delhi, 2006.Chidambram, Dr.R., 'Marketing approach must for bankers', Indian Banking, Today and Tomorrow, September, 1994, pp. 9-10.
4. Rajeev K. Seth, Marketing of Banking Services, Mac. Millan Indian LTD, 1997. Chapter I, The why of Bank Marketing? pp. 1-13

ODYSSEY OF GOA: A MOVE TOWARDS SUSTAINABLE TOURISM

Lyseth M. D'souza
Nandkishor G. Sarode

ABSTRACT

Goa attracted merchants, traders, historians, monks and missionaries since time immemorial and has undergone a continuous process of transformation which has left a unique and deep-seated impression on every aspect of its development, be it social, cultural, economic or environmental. "The pearl of the East", is gifted with breath taking beauty, palm-fringed beaches, majestic & captivating churches, stunning temples, prehistoric mosques, ruined forts, cheerful folk music, back waters, smooth white and silver sands, rich cultural heritage and diverse flora and fauna. The uniqueness of this place is the beautiful blend of Portuguese and Goan culture which is vividly seen in the cuisine, lifestyle and architecture of houses and monuments which adds to the beauty and extraordinary experience of this destination. But unfortunately, the popular costal belt of Goa has lost its uniqueness, distinctiveness and charm with the chaotic development of hotels, resorts, restaurants, shops and establishments which have mushroomed all over the place. This haphazard development coupled with poor quality facilities, amenities, overcrowding and littering on beaches, misbehavior by hawkers, drugs and run of the mill activities has pulled down the image of Goa. The accommodations, tourist attractions and sightseeing places are commercialized to fit the budget of the masses. According to Mahajan and Wind (2001), mass markets are the past and interactive markets are the future. Goa needs to renew itself in the eyes of its visitors and provide unique and outstanding experiences. The Government of Goa is encouraging enterprises to strengthen and drive the experiencing process of tourists and venture into new innovative modes of tourism.

Tourism in Goa - Its Origin & Importance

Goa attracted merchants, traders, historians, monks and missionaries since time immemorial and has undergone a continuous process of transformation which has left a unique and deep-seated impression on every aspect of its development, be it social, cultural, economic or environmental. "The pearl of the East", is gifted with breath taking beauty, palm-fringed beaches, majestic & captivating churches, stunning temples, prehistoric mosques, ruined forts, cheerful folk music, back waters, smooth white and silver sands, rich cultural heritage and diverse flora and fauna. The uniqueness of this place is the beautiful blend of Portuguese and Goan culture which is vividly seen in the cuisine, lifestyle and architecture of houses and monuments which adds to the beauty and extraordinary experience of this destination.

Goa was historically referred to as Gomantak or Govapuri or Govarashtra or Goym (Goem) in both Konkani and Mundari the ancient tongue of the Indian aboriginals (Gomes, 2010). But the

portuguese are credited with coining the name Goa for the capital of their State of India (Estado da India), to rhyme with their metropolis, Lisboa. Travel and archived records suggest that travelers from far and wide visited Goa many centuries back for business, pleasure, scholarship (scholarly reasons) as well as military reasons. Hiouen Tsang, the Chinese traveler, described Goa's geographical boundaries when he visited Konknapur (Goa) in A.D. 640. Goa's beauty and commercial development was extolled as far back as 1472, when its conqueror, Mahmud Gawan, the Bahamani general, sang its praises by terming it, "the envy of the islands and the ports of India...".

Goa over the years, has carved a niche for itself amidst the vast numbers of famous tourist destinations available in India with most of the tourists travelling from "Western Europe, North America, Australia, and Japan" (Wikipedia, 2011). Goa's coastline extends endlessly in this tiny state and covers 106 kilometers with a sizeable part

© SBPIM

Assistant Professor, National Institute of Construction Management and Research, Pune, India..

Contact No. : 9096662481

Email Id:lyseth_d@yahoo.co.in

Director (MBA & MCA), Abhinav Education Society's Institute of Management & Research, Pune.

Contact No. : 9890149042

Email Id: ngsarode@yahoo.co.in

unique and popular market known as the 'flea market', which still continues to be held in Anjuna, on every Wednesday. This was the dawn of the hippy culture in Goa which inspired the popular full moon parties and attracted tourists and travelers from far and wide to experience a unique market where both local and world renowned musicians played for the benefit of all and placed Goa prominently on the international tourism map. On 4th November 1985, the first Charter flight of CONDOR landed in Goa from West Germany, followed by flights of Air Europa and Inspiration East from the UK which operated from November to April each year. Foreign and domestic visitors were entranced by the clean and safe destination, lush and varied natural beauty, the unspoilt beauty of the beaches, cuisine and lifestyle, the unique blend of Indo-Portuguese culture and the friendly and hospitable nature of the locals.

Initially Goa as a tourist destination attracted the domestic tourists and land travelers, but later with the growth of air travel in general and economic (no frills) air travel in particular, the international tourism phenomenon was born and is growing with leaps and bounds, as people from higher income countries move to destinations with lower costs and lower standards of living which gave rise to the creation of new needs and desires due to the high disposable income which demand increasingly sophisticated options for their satisfaction, resulting in the exploitative nature of mass tourism. Although today's traveler doesn't visit Goa for reasons like trade of goods, the "fair" still continues, with a wide variety of attractions to cater to all needs whether they be sport, culture, religion, cuisine, entertainment, business, health or relaxation (DOT, 2015).

Goa also has a well developed hospitality industry handling approximately 10% of all foreign tourist

arrivals in India. Over 90% of domestic and foreign tourists concentrate in the coastal areas of Bardez, Salcete, Tiswadi and Marmagao. The North Goa beaches like Calangute, Baga, Vagatore, Anjuna, Candolim, Arambol, Morjim, Ashwem, are highly populated. There is a large network of hotels, resorts, restaurants, pubs, discoteques, casinos, tattoos studios, shops and establishments which are well established in north Goa in contrast to south Goa which is known for its peace, tranquility and Goan village experience. Tourists have a unique experience of sunbathing and relaxing on the sea shores very close to the sea.

Kamat (2010) revealed that more than half the tourists visiting Goa are below 30 years demonstrating that they are looking for adventure and fun, while quite a large percentage who are between 50 to 60 years – mostly retired and chartered tourists are looking for peace and tranquility. Both the energetic young and peace loving old are attracted to the beautiful beaches of Goa. Goa has become a very popular weekend and short holiday destination (a long weekend) for college goers and young office goers. Goa is viewed as an ideal destination for fun and frolic. The main purpose of visit is leisure for more than 90% of domestic tourists and over 99 % of the international tourists who are concentrated in the coastal areas (Report by Datamation Consultants (2005–2006)). Due to this over concentration in the coastal areas there has been a hap hazard development which has added to the woes and problems of Goa. Goa's charter flights have become Russian centric and Goa has stiff competition from destinations like Sri Lanka, Mauritius, Laos, Cambodia, Vietnam, West Indies, West Africa and Egypt who gave excellent offers, promotions and incentives.

Table 1 - Tourist Arrivals in Goa

| Year | Domestic | Foreign | Total | % Change |
|------|------------|------------|------------|----------|
| 2007 | 2208986 | 388457 | 2597443 | 4.6 |
| 2008 | 2371539 | 351123 | 2371539 | -9.5 |
| 2009 | 2127063 | 376640 | 2503703 | 5.5 |
| 2010 | 2201752 | 441053 | 2642805 | 5.6 |
| 2011 | 2225002 | 445935 | 2670937 | 0.98 |
| 2012 | 2337499 | 450530 | 2788029 | 4.2 |
| 2013 | 2629151 | 492322 | 3121473 | 10.68 |
| 2014 | 3544634 | 513592 | 4058226 | 30.01 |
| 2015 | 4756422(P) | 541480(P) | 5297902 | 30.54 |
| 2016 | 5650061 | 680683 | 6330744 | 19.50 |
| 2017 | 599419 (P) | 306067 (P) | 905506 (P) | |

P- Provisional

Source : Government of Goa – Department of Tourism

Infrastructure Development – The Basic Need for Tourism Development

The Aeroporto de Dabolim was built in 1955 by the Government of the Portuguese to allow the operation of large aircraft allowing links with Portuguese territories without the use of any Indian infrastructure (Monteiro, 2007), but after liberation the Indian Navy took over in April 1962. Today this airport is termed as “Dabolim International Airport” and is linked to other parts of India as well as international destinations (chartered flights included). Goa is very well linked by road with two national highways known as “NH4A and NH17”. Besides this there is a wide set-up of metallic roads which link Goa to the other states. Goa is well connected internally with bridges across the rivers which allows access to virgin and untouched natural habitat in remote areas of Goa which are ideal locations to promote eco tourism. Goa is also very well connected by railway namely the South-Central and Konkan railway to various parts of India and also boasts of a developed internal water transport network formed by a grid of navigable rivers used by tourism industry for the purpose of river cruises and also anchoring offshore casinos besides using it as an economical mode of transport by the mining industry. Mormugao port in Goa is an excellent all weather international port. There is an extensive network of smaller ports along the river which are extensively used for tourism by promoting fishing trips, crab hunting, crocodile Dundee, back water safaris, kayaking and water sports activities which are major attractions for tourists of all age groups and all nationalities.

Power plays an important role in ensuring that hotels, resorts, restaurants, streets, beaches, public places etc. are lit up and made attractive to ensure the safety and uninterrupted entertainment for tourists. Goa is known worldwide for its night life, clubs, casinos, pubs, which generates huge revenues for the government and the owners of the businesses. In addition they generate huge employment opportunities not only for the locals but also for the neighboring states. Goa gets its power supply from a “central grid” from “super thermal power stations”. The state has not experienced any major power shortage till date which is a major plus point for the state [ED, (2015), Economic Survey, (2014-15) & TNT,

(2014)]. The Telecom services are comparable to other metro cities with high speed access to a wide range of Internet related services. Another basic but essential requirement is water which is available in sufficient amounts from Assonora, Selaulim and Opa reservoirs. The projected overall demand for water for 2020 is 1166 MCM while the projected availability for 2020 is 1288 MCM.

In order to tackle garbage and waste management a state of art project based on mechanical biological treatment processes has been undertaken at Saligao which has shown very good results. In the area of health and social welfare Goa stands way ahead of most states as it has an excellent medical college with state of the art amenities, facilities, equipments and gadgets to take care of all types of ailments, diseases and emergencies along with a newly renovated network of government hospitals and primary health centers. Goa is also considered to be one of the safest places to stay with proper enforcement of Law & Order and Fire & Emergency services (including 108 ambulance services) (Economic Survey, 2014-15).

1. Issues & Problems Associated with Tourism

The world over T&T is acknowledged as one of the fastest growing sectors and Goa is struggling to make a mark for itself as it is fast losing out to other foreign destinations and states of India due to the ill effects of mass tourism, commercialization and over emphasis of beach tourism. Goa needs to reposition and renew itself in the eyes of its visitors and provide unique and outstanding experiences by turning ordinary products into extraordinary. The following are some of the hindrances and ill effects of mass tourism which have to be tackled so as to position Goa as a sustainable destination.

3.1 Waste Management: Mass tourism, commercialization and rapid growth in tourism faster than the development of its infrastructure, has resulted in the contamination of water bodies and destruction of the marine ecology; which is in grave permanent threat of extinction. In most of the cases the sewage treatment is inadequate. Goa is still in the process of formulating a proper waste disposable management system as a result of which our beautiful Goa is infested with dumping grounds which makes the place dirty and unhygienic.

3.2 Environment Degradation: There is an enormous strain on the atmosphere by the tourism

industry with hotels replacing farmland, sand dunes and mangrove swamps. The once beautiful sand dunes of Morjim beach are destroyed due to the development and over commercialization of the beach. Goa has been losing out on its back waters due to the pollution and misuse of the water bodies. The flora and fauna which attracts all types of animals and birds and also a large number of migratory birds is being destroyed by the hap hazard developments and contamination of land and water bodies. Damage and losses incurred through environmental degradation, deforestation, pollution, wasteful consumption of resources, all in the name of developing and using tourism related infrastructure, are problems which have assumed huge proportions in Goa.

3.3 Poor Infrastructural Facilities at the Sanctuaries: Most of the parts of the sanctuaries are inaccessible. The forest authorities and government bodies have a laid back attitude towards wild life tourism. To top it all there are no trained guides and information is not available about the animals, flora and fauna of the place. There is very little information available about the wild life activities.

3.4 Image of Goa: The chaotic development along with low quality services, amenities, congestion, filth on beaches, misconduct by hawkers, prostitution, child abuse and mediocre events and activities have brought down the brand of Goa. The popular costal belt of Goa has lost its uniqueness, distinctiveness and charm with the chaotic development of hotels, resorts, restaurants, shops and establishments which have mushroomed all over the place. Goa has to reposition itself from just being a destination famous for its sun, sand and beaches.

3.5 Commodification of Culture: From the late 90's, the village and tribal folk dances, Portuguese Corridinho dance, local traditional music, festival celebrations etc. have been commercialized to suit the taste of the tourists who favor western culture. A lot of importance is given to "pub dancing, rave parties, casinos, nudism, spas and sex trade" which is at the forefront. Even in the areas of socio-cultural development, festivals are viewed as events staged for the vacationer and lose their importance and meaning on account of the commoditization of culture to cater to tourists needs.

3.6 Crimes, Drugs, Alcohol and Prostitution: Goa was considered a safe haven to settle and visit. But lately many tourists have had bad experiences where they have been threatened, sexually abused, beaten up and even robbed. The worst side effects of tourism is the wide spread use of drugs, alcohol and

prostitution. The 'hippies' brought the craze for drugs and it has continued since then with Russians, Israelites and Nigerians being a integral part of this drug mafia . (source:- vickynanjapa.wordpress.com). Alcohol is freely available at every nook and corner. Prostitution is practiced in some resorts and it takes an ugly turn when it involves underage children who suffer at the hands of uncultured and brutal members of the society, thereby turning these kids into vicious adolescence later on in their life. The number of AIDS cases is on the rise in the costal belts of Goa with sex readily available. The tourists have branded Goa as a land where drugs, alcohol and sex is easily available.

3.7 Fall of the Traditional Industry: The fishing industry is badly hit with restrictions imposed on the locals on the use of the natural resources as they may become a hindrance to the tourists. The rivers and beaches are used for water sports, kayaking and boat rides. The excessive use of diesel engines contaminate the waters and destroy the marine life. The dry fish industry in Goa is almost dead as the locals are not allowed to dry the fish on the coast due to the foul smell.

3.8 Failure to implement Responsible Tourism: Goa lacks planned and responsible tourism. The diversion of natural common property resources like land, forests, beaches, rivers and natural water sources as well as the diversion of basic necessities like water supply and electricity for the use of tourism enterprises, have posed a serious problem. The accommodations, tourist attractions and sightseeing places are commercialized to fit the budget of the masses. Goa is fast losing out on the middle class, upper middle class and premium tourists who want to engage in memorable experiences as their concentrate on "customer experiences and lifestyles and not product performance" (Holbrook,2000).

3.9 Failure to Adopt Experiential Marketing Practices: Goa suffers from the paradox of plenty. It has all it takes to make this beautiful place into a top global destination. But due to the lack of interest of the various stakeholders towards sustainable tourism, we have lost out on countries like Thailand, Hong Kong, Singapore, Sri Lanka, Dubai to name a few who have understood the needs of the present tourists and have adopted experiential marketing practices and attracted high end tourists who are ready to pay a premium.

3.10 Ban on the Use of Animals in Tourism: The ban of elephants and other wild and domestic animals for the use of tourism has had a crippling consequence on the eco tourism industry in Goa. The foreign as

well as domestic tourists loved to interact and participate in various activities staged along with the elephants.

3.11 Misuse of Western Culture: Right from the late 60's Goa has popularizing western culture and attracted tourists from far and wide for a celebration of the western culture. There has been an increase in the number of Rave parties and music shows like Sunburn, Supersonic, Goat Festival. The advent of the casinos - on shore and off shore and massage centers / spas all over the state have destroyed the clean culture of Goa.

3.12 Financial Benefits: MNC's, foreign nationals and Indians hold the bulk of the big hotels and resorts who now a day's offer an all-inclusive deal. In this way the tourists are forced to restrict their movement and don't patronize the local businesses. The financial benefits from the tourism trade leave insignificant or no gains for local communities and on the contrary it increases their cost of living without living up to their claims of generating quality and secure employment for locals.

2. Role of Government to Promote Tourism

4.1 Promote new Innovative Modes of Tourism: According to Mahajan and Wind (2001), mass markets are the past and interactive markets are the future. Goa needs to renew itself in the eyes of its visitors and provide unique and outstanding experiences. The Government of Goa is encouraging enterprises to strengthen and drive the experiencing process of tourists and venture into new innovative modes of tourism.

4.2 Design Varied Packages: GTDC promotes Goa as a 365-day holiday destination by promoting varied packages namely "Misty Holidays, Magical Moments, Honeymoon Special and Chill Out". According to Sanjit Rodrigues, Managing Director, GTDC and Elvis Gomes, Director of Goa Tourism Department, Goa has stunning islands, waterfalls, lakes, dams and wildlife sanctuaries which can be used to promote monsoon tourism and eco tourism.

4.3 Design and Implement Unique Experiential Activities : Since the economy of Goa depends heavily on tourism, the Government has decided to work on a plan in the area of "experiential marketing" which will chalk out the strategies, tactics, schemes and promotions for tourism in general and also sustainability in specific. A number of unique experiential activities are promoted by GTDC along with private players like hot air balloon ride, hop on and hop off sightseeing bus tour, boat cruises, snorkeling, island trip, crocodile Dundee, carnival, shigmo etc.

4.4 Kick off New Tourism Policy: The Government of Goa is come out with a new "Tourism Policy" which envisages overall tourism development along with engagement with private businesses from the travel, hospitality and tourism sector that can contribute and improve facilities, services and amenities in the state.

4.5 Undertake Projects with Public Private Partnership: The Government of Goa has decided to venture into various projects under the PPP mode like a "5/7 star ecotel (environment-friendly hotel) at Baga, a 5-star hotel at Britona with mini marina, another 5-star hotel at Colva with adventure sports facilities, developmental projects at Mayem lake, Vasco Residency and Kesarval spring, a rope way project between Panaji and Reis Magoa, an Oceanarium and a golf course" in due course of time.

4.6 State of the Art Infrastructure and Supporting Facilities: It appears that the quality of tourism infrastructure and other supporting facilities available for tourism industry in Goa have not improved significantly over the years as pointed out by [Wilson \(1997\)](#). Hence the government is undertaking projects in the areas of social, developmental, civic, infrastructure & transport facilities.

4.7 Beautification of Tourist Spots: In order to maintain and improve the tourist offer and to retain destination competitiveness the government has undertaken a series of efforts which are both infrastructural (developmental) and cosmetic. Decoration and adornment of significant tourist spots, formation of a tourist circuit along the beach belt, completion of the Panjim jetty, multi-level parking facility, creation of a mobile based tourist guidance service and a taxi app, in addition the much needed water sports regulation policy has been formulated along with multi pronged promotional and participatory initiatives in tourism related activities have been undertaken by the state to boost tourism (Economic survey, 2014-15).

5. Conclusion

Travel & tourism is the largest and fastest-growing sector with more than 1000 million people travelling every year. Travel and tourism the world over is an important economic activity which has a direct impact on the country's balance of payments, social, cultural, educational, and economic sectors of national societies and international relations (Manila Declaration on World Tourism, 1980). The tourism industry is especially important to developing countries since it is the principal foreign exchange earner for 83% of developing countries (World Travel and Tourism Council, 2015). Goa needs to reposition itself in order to attract the high spending tourists

who not only attributes greater importance to leisure time pursuits but also looks for the conservancy and development of the countryside too with motives like spirit of enquiry, search for knowledge, peace, escapism, social, sustainability and respect for nature.

References:

1. Datamation Consultants -Collection of domestic tourism statistics for the state of Goa: Final report (April 2005 to March 2006). Submitted to the Ministry of Tourism, Government of India. Retrieved from: <http://tourism.gov.in/sites/default/files/Other/03%20goa.pdf>
2. Economic Survey (2013–14). Directorate of Planning, Statistics and Evaluation, Government of Goa. Retrieved from http://goadpse.gov.in/publications/Economic_survey_2014-15.pdf
3. Economic Survey (2014–15). Directorate of Planning, Statistics and Evaluation, Government of Goa. Retrieved from http://www.goadpse.gov.in/publications/Economic_survey_2014-15.pdf
4. Holbrook, M. B. (2000). The millennial consumer in the texts of our times: Experience and entertainment. *Journal of Macromarketing*, 20(2), 178-192.
5. Kamat, S.B. (2010) Destination Life Cycle and Assessment – A Study of Goa Tourism Industry. *South Asian Journal of Tourism and Heritage*, Vol. 3(2). pp 139-147.
6. Mahajan, V., & Wind, J. (2001). Digital marketing. Global strategies from the world's leading experts. Wiley, Paperback.
7. "Manila Declaration on World Tourism , 1980", accessed on 4/5/2016 at 4.30p.m., retrieved from <http://www.univeur.org/cuebc/downloads/PDF%20carte/65.%20Manila.PDF>
8. Montero I, Leon OG. A guide for naming research studies in psychology. *International Journal of Clinical and Health Psychology*. 2007;7:847–862.
9. THE ECONOMIC IMPACT OF TRAVEL & TOURISM MARCH 2017. Retrieved from https://www.wttc.org/-/media/files/reports/economic-impact-research/regions-2017/world2017_.pdf on February 2018
10. Tourist arrivals. Retrieved on 20th June, 2015 from <http://www.goatourism.gov.in/statistics>
11. World Travel and Tourism Councils Economic Impact 2015, Ministry of Tourism - Foreign tourist arrivals to India. Retrieved from <http://www.ibef.org/download/Tourism-and-Hospitality-January-2016.pdf>

ROLE OF HR IN INNOVATION AND CREATIVITY AT WORKPLACE

Harshda Thorat

ABSTRACT

In the globalization era, to compete and sustain in a long run, a business establishment must be creative and foster the culture of creativity by tapping the competency of human resources. And in this business of uncertainty, risk and volatility, creativity plays an important function towards creating a competitive advantage for organizations. Many researchers have suggested that creativity makes an important contribution to organizational effectiveness for the long-term survival of organizations, because it enables organizations to remain competitive in a rapidly changing environment and achieve a competitive advantage. Thus, encouraging and fostering creativity is a strategic choice of every successful organization. And in an organisational set up, it's the HR system which plays crucial role in facilitating and communicating the goals of creativity to the human resources and the means to achieve the organisational goals. Therefore, through this paper, we have tried to speak about the novel issues relating to the various factors and practices of HR system that promotes the cultures and climate for creativity among the employees.

Keywords: Creativity, Innovation, Organisational Culture, HRM

Introduction

In a dynamic environment with rapid globalization and advances in science & technology, “creativity” and “innovation” play an important role of in long-term development and sustainability of organizations. In this complex environment, it is very difficult to manage firms because they demand different product architectures, change the economics of the industry, destroy existing firm competences, create new value networks in which to compete and require technology investments with highly uncertain outcomes. In this context, companies’ success depends on their innovative capability. (Henderson and Clark, 1990; Lieberman and Montgomery, 1998; Schumpeter, 1934, Schumpeter,1942; Tushman and Nadler, 1986; Utterback, 1994). Many researches and literature also emphasized the key role of Human Resources (HR) and practices of Human Resource Management (HRM) which can play in such competitive environments in enhancing firm’s competitive advantage (Lado and Wilson 1994; Wright,

McMahan and McWilliams 1994; Becker and Gerhart 1996). And focusing on employees’ knowledge, skills and behaviours can be sources of competitive advantage and, therefore, can positively affect firm’s performance. In the recent years, the notion of best practices in human resource management (HRM) has received a lot of attention. It has been suggested that a set of best Human Resource (HR) practices can enhance a firm’s performance and effectiveness (Pfeffer, 1998). The current literature indicates that it is not fruitful to examine just a single type of HR practice and its influence on a firm’s performance. Instead, bundles of HR practices and their contingent effects have to be analyzed (Bowen & Ostroff, 2004; Delery & Doty,1996; Wright & Boswell, 2002). It is seen that in the high-commitment organizations, who follow the best practices of Human Resource management (HRM) that fosters and supports the creation and maintenance of an internal labour market and a high level skills base.

Creativity and Innovation: The Meaning

Many studies have recognized the importance of

© SBPIM

Assistant Professor, D.Y. Patil School of Management, Pune.

Contact No. : 9527296561

Email Id:

innovation and creativity in developing the organization's competence, and both of the concepts have been defined in various ways for understanding in academics. West (2002) note that "the intentional introduction and application of ideas, processes, products or procedures which are new and benefit to the job, the work team or the organization". Scott (1994) proposed that innovation include several process, such as problem recognition, idea generation, idea completing and prototype production. It includes such activities as generation of new ideas, evaluation of ideas, idea development and implementation (Mumford et al., 2002). On the other hand, creativity often be refer to idea generation alone. It is often framed as: with definition of the problem, employee gathers, combine, reorganize information and generate the new ideas. Woodman (1993) deems creativity as doing something for the first time anywhere or creating new knowledge. Usually, innovation is viewed as a multistage process; creativity is only one stage of a multistage. Through Some researcher make a distinction between creativity and innovation, with the former referring to the invention of an idea and the latter referring to that idea's application, or regarding the former as one simply part of the latter, generally, the two terms are often used interchangeably in most relevant research. Revision of the existing literature shows that it can broadly be defined as "the adoption of an idea or behaviour, whether a system, policy, program, device, process, product or service, that is new to the adopting organization" (Damanpour & Gopalakrishnan 2001). This new idea might be a recombination of old ideas, a scheme that challenges the present order, a formula or a unique approach which is perceived as new by the individuals involved (Van de Ven, Polley, Garud and Venkataram 1999) and it can be developed internally or purchased (Pennings and Harianto 1992). Creativity and innovation are closely related and overlapping concepts, but they are not interchangeable. Creativity and innovation have often been studied in isolation by researchers using different methodologies and models (Sternberg & Lubart, 1999). Creativity has been studied in psychology at the individual level, while innovation has been studied in economics and

management at the organizational level. While creativity refers to the production of novel and useful ideas in any domain, innovation is defined as the successful implementation of creative ideas within an organization (Amabile, 1996). Creativity is important in and of itself and can be conceptualized as a necessary precondition required for innovation. Thus creativity is the seed of innovation.

Role of HR and innovation

An HR system with an orientation towards innovation plays a salient role in creating the necessary culture that promotes innovation. Organizational culture, in turn, is expected to have a significant and direct impact on firm performance. In particular, a developmental culture should contribute to a higher level of innovation and new product development. Arguably, a developmental culture serves as the necessary intervening factor between the HR system and innovation. It was confirmed that organizational culture plays a mediation role between HR system and firm's innovation outcomes. Conceptually, it was verified that an HR system which emphasizes training, performance-based reward, and team development is critical for creating a developmental culture. (Lau & Ngo, 2004)

Functional Mechanism of HR as Innovation Determinants

Innovation represents an orientation and fundamentally different from traditional financial or market based outcomes of a firm. Muffatto (1998) suggested that in the innovation process, the creation of an innovative climate and related professional knowledge and capabilities are needed to support innovation activities. Hence, there is a need to change organizational setting and culture in order to foster innovation. This argument is in line with human capital theory used to explain an organization's competitiveness in innovation outcomes (Chacko & Wacker, 2001; Chan, Schaffer, & Snape, 2004; McMahan et al., 1999). For innovation-oriented firms, HR must be practiced with innovation enhancing HR policies (Searle & Ball, 2003). These policies may differ from conventional HR practices in stable environment (Ulrich, 1997). Prior studies suggested that an internally consistent HR system which

emphasizes investing in human capital, compensating people for performance, and committing to team development is critical for the success of innovation-oriented firms (Lado & Wilson, 1994; McMahan et al., 1999; Muffatto, 1998). By building such a HR system, a firm would be able to develop an organizational culture with an innovative and entrepreneurial orientation. With such an innovative culture in place, a higher level of innovation would result. It follows that to achieve performance in product innovation; an innovation-oriented organizational culture must be supported by an HR system that facilitates the development of new products and services. Departing from the traditional psychological approach to innovation, which focuses on the characteristics of creative persons, Amabile (1996) proposed that everyone has the potential to be creative, innovation can come from anywhere within an organization. In fact, people have creative styles that tend to make them better at producing one kind of innovation or the other. There are two general categories of environment (Amabile, 1996). Cummings and Oldham (1997) found that organizations, which provided a supportive innovation context for creativity, tend to reap greater benefits from employees who are innately creative.

The HR system for innovation

Regarding which HR practices are relevant and brings about the innovation at workplace, the literature focuses not on an individual HR practice, but rather bundles of HR practices as determinants of firm performance (Delery & Doty, 1996; Wright & Boswell, 2002; Wright, McCormick, Sherman, & McMahan, 1999; Youndt, Snell, Dean, & Lepak, 1996). Not only different HR configurations needed to achieve a high level of firm performance (Sheppeck & Militello, 2000), but also different types of HR practices generate different firm outcomes. Today, HR skills and knowledge are a key to success in R&D (Pearson, Brockhoff and Von Boehmer 1993). Furthermore, there is a general recognition about the importance of HRM as a determinant of innovation. According to Gupta and Singhal (1993), "people, not products, are an innovative company's major assets". The assumption underlying those affirmations is that HRs

are involved in the whole innovation process (Galbraith 1984).

HR practices and motivational factors for innovation

At the individual level numerous motivation related factors have been identified as drivers of creative production. The key ones are presented below: Intrinsic versus extrinsic motivation. Intrinsic motivation is a key driver of creativity (Amabile, 1996; Baron and Harrington, 1981). In fact extrinsic interventions such as rewards and evaluations appear to adversely affect innovation motivation because they appear to redirect attention from "experimenting" to following rules or technicalities of performing a specific task. Furthermore, Fear about evaluation appears to divert attention away from the innovation because individuals become reluctant to take risks since these risks may be negatively evaluated. Contrarily, in order to be creative, individuals need freedom to take risks, play with ideas and expand the range of considerations from which solutions may emerge.

Challenging individuals

Open ended, non-structured tasks produce higher creativity than narrow jobs. This occurs by virtue of the fact that people respond positively when they are challenged and provided sufficient scope to generate novel ideas and solutions. It appears that it is not the individual who lacks creative potential but it is the organisational expectations that exert a primary debilitating effect upon the individual's inclination to innovate (Shalley and Oldham, 1985) and HR system can help in building the required climate for it.

Multiple Career advancement & Opportunities

HR system should follow the scheme and reward the individual who is more creative with promotion and career advancements. More opportunities of promotion to be given for the creative employees.

Skills and knowledge

Creativity is affected by relevant skills such as expertise, technical skills, talent etc. However such domain-related skills can have both positive as well as negative consequences. Positively, knowledge enhances the possibility of creating new understanding. Negatively, high domain-relevant skills may narrow the search heuristics to learnt routines and thereby constrain fundamentally new

perspectives. Generally it can be said that innovation is enhanced by organic structures rather than mechanistic structures. Innovation is increased by the use of highly participative structures and cultures (e.g. high performance-high commitment work systems).

Leadership and empowerment

Empowering people to innovate is one of the most effective ways for leaders to mobilise the energies of people to be creative. Combined with leadership support and commitment, empowerment gives people freedom to take responsibility for innovation. Empowerment in the presence of strong cultures that guide actions and behavior produces both energy and enthusiasm for consistent work towards an innovative goal. Employees themselves are able to devise ways that allow them to innovate and accomplish their tasks. The only serious problem with empowerment occurs when it is provided in an organisation without a strong value system capable of driving activities in a unified and aligned manner to the super-ordinate goals of the organisation. In these conditions, empowerment is little less than abdication of responsibility, and when responsibility and power is pushed downwards, chaos typically ensues.

More Action friendly rather than bureaucratic response

To ensure that innovation occurs, HR practices must ensure that there are no bureaucratic bottlenecks which suffocate attempts at innovation. One primary culprit of this is overly bureaucratic procedures for rubber-stamping approval or reporting requirements. Faced with such obstacles, a lot of employee initiatives fail. In fact a large proportion of suggestion schemes appear to fail not because there is a lack of ideas but because of the protocols, and the failure of the protocols to process with sufficient speed either a favourable or unfavourable response.

Providing a balanced autonomy to the employees

Autonomy is defined as having control over means as well as the ends of one's work. This concept appears to be one of central importance. There are two types of autonomy: i) strategic autonomy: the freedom to set one's own agenda; ii) operational autonomy: the freedom to solve a problem, once it has been set by

the organisation, in ways that are determined by the individual self. Operational autonomy encourages a sense of the individual and promotes entrepreneurial spirit, whereas strategic autonomy is more to do with the level of alignment with organizational goals. It appears that firms that are most innovative emphasise operational autonomy but retain strategic autonomy for top management. HR system should create a right organizational structure with lesser hierarchy, so that the autonomy of individuals would be more in dealing with the jobs.

Goal orientations

Individuals may also have different goal orientations (i.e., self-development beliefs which serve as motivational mechanism that influences how employees interpret and act in achievement situations; Elliot & Church, 1997). A learning goal orientation emphasizes personal development of competence, whereas a performance orientation focuses on showing competence to external observers. Hirst, Van Knippenberg, and Zhou (2009) found that learning orientation had a positive main effect on creativity. Also focusing and practices of workplace spirituality helps the employees to align their personal goal with the organizational goals.

Cognition and Values of employees

Values are guiding principles of individuals' lives; they provide directions for action, and they serve as standards for judging and justifying action. Hence, employees' values may be relevant for idea generation and implementation. Shin and Zhou (2003) found that employees high on conservation value reacted more strongly and positively to the influence of transformational leadership by exhibiting greater creativity. Individuals who have high need for cognition enjoy thinking and cognitive activities. C. Wu, Parker, and De Jong (in press) found that when autonomy was low, need for cognition had a stronger, positive relation with innovative behavior, and when time pressure was low, need for cognition had a stronger, positive relation with innovative behavior. It may be necessary to take a fine-tuned look at whether need for cognition is particularly relevant for idea generation or idea implementation.

Job complexity

It is seen that when a job (a) provides opportunities for the jobholder to learn and use a variety of skills, (b) is identifiable, (c) has significant implications for others, and (d) provides autonomy and feedback, the job is said to have high levels of complexity (Hackman & Oldham, 1980). Job complexity (operationalized as the mean of the five core job characteristics—skill variety, task significance, task identity, autonomy, and feedback) is a key aspect of the task contexts relevant for creativity (e.g., Farmer et al., 2003; Oldham & Cummings, 1996; Shalley et al., 2009; Tierney & Farmer, 2004). Hence, practice of it helps in creating a pool of creative individuals.

Performance Appraisal and Feedback

Although feedback has been shown to have significant and yet complex influences on creativity, few studies have directly examined the mechanisms through which such influences occur. One exception is Yuan and Zhou (2008), who found that external evaluation obstructs in generating a large number of ideas; however, individuals who did not expect external evaluation at the variation stage at which they are told to generate as many ideas as possible. In addition, employees do not have to be passive recipients of feedback; instead, they can actively engage in feedback seeking in order to regulate their behavior. Integrating the feedback seeking and creativity literatures, De Stobbeleir, Ashford, and Buyens (2011) found that feedback inquiry had a direct, positive relation with creativity. Hence, a right kind of appraisal and feedback processes in an organizational system helps employees to show positive attitudes and behaviours at workplace, which is an important variable for creativity at work.

Other HR Practices can enhance Creativity at workplace are:

- Innovation-based oriented training and role modeling;
- Challenging tasks and proper job pressure;
- Job enrichment and job rotation;
- Challenging goals;
- Exploratory learning;
- Participation of decision making;
- Diversified team work;
- Support from the boss

Conclusion:

In attempting to build a sustainable organization, it is vitally important to understand the importance of innovation. Without doubt the most innovative companies of the future will be dominated by those that do not simply focus energies upon product and technical innovation, but those who have managed to build enduring environments of human communities striving towards innovation through the creation of appropriate cultures and climate. This will be the energy of renewal and the drive to a successful future. So, it's truly revealed that employees and managers need to incorporate best suitable HR practices in workplace as it helps the employees to contribute more by enabling them to understand the big picture and the organisation benefits as a whole. We have come to an understanding that integration of best HR practices at workplace is a measure weapon to unlock the creative and innovative behaviour, as it helps in capitalizing their resources, skills and knowledge towards establishment of a better perspective for the humanity at large.

References:

1. Albertini, S., & Butler, J. (1995). R&D Networking in a Pharmaceutical Company: Some Implications for Human Resource Management. *R&D Management*, 25, 4, 377–393.
2. Amabile, T. M. (1996). *Creativity in context: Update to the social psychology of creativity*. Boulder, CO: Westview Press.
3. Becker, B., & Gerhart, B. (1996). The Impact of Human Resource Management on Organizational Performance: Progress and Prospectors. *Academy of Management Journal*, 39, 4, 779–801.
4. Damanpour, R., Gopalakrishnan, S. (2001). The dynamics of the adoption of product and process innovations in organizations. *Journal of Management Studies* 38 (1), 45–66.
5. Delery, J. E., & Doty, D. H. (1996). Modes of theorizing in strategic human resource management: test of universalistic, contingency, and configurationally performance predictions. *Academy of Management Journal*, 39, 802–835.
6. Dougherty, D. (1996). Organizing for innovation. In: Clegg, S.R., Handy, C., Nord, W.R. (Eds.),

- Handbook of Organization Studies. Sage, Thousand Oaks, CA, pp. 424–439.
7. Henderson, R.M. & Clark, K.B. (1990). Architectural innovation: the reconfiguration of existing product technologies and the failure of established firms. *Administrative Science Quarterly*, Vol. 35, pp. 9-30.
 8. Lado, A. A., & Wilson, M. (1994). Human resource systems and sustained competitive advantage: a competence based perspective. *Academy of Management Review*, 19, 699–727.
 9. Lau Chung-Ming, & Ngo Hang-Yue, (2004.). The HR System, Organisational Culture and Product Innovation. *International Business Review* 13, 685–703
 10. Lieberman, M.B. and Montgomery, D.B. (1988). First-mover advantages. *Strategic Management Journal*, Vol. 9, pp. 41-58.
 11. Muffatto, M. (1998). Corporate and individual competencies: how do they match the innovation process? *International Journal of Technology Management*, 15, 836–853.
 12. Mumford, M. D., Scott, G. M., Gaddis, B., & Strange, J. M. (2002). Leading creative people: Orchestrating expertise and relationships *Leadership Quarterly*, (13):705- 750.
 13. Pfeffer, J. (1998). *The human equation: building profits by putting people first*. Boston, MA: Harvard Business School Press.
 14. Schumpeter, J. (1934). *The Theory of Economic Development*, Harvard University Press, Cambridge, MA.
 15. Schumpeter, J.A. (1942). *Capitalism, Socialism and Democracy*. Harper & Row, New York, NY.
 16. Scott, S. G., & Bruce, R. A. 1994. Determinants of innovative behavior: A path model of individual innovation in the workplace. *Academy of Management Journal*, 37: 580-607.
 16. Sternberg, R. J., & Lubart, T. I. (1999). The concept of creativity: Prospects and paradigms. In R. J. Sternberg (Ed.), *Handbook of creativity* (pp. 3-15). Cambridge, UK: Cambridge University Press
 17. Tushman, M.L. and Nadler, D.A. (1986). Organizing for innovation. *California Management Review*, Vol. 28 No. 3, pp. 74-92.
 18. Ulrich, D. (1997). Measuring human resources: an overview of practice and a prescription for results. *Human Resource Management*, 36, 303–320.
 19. Van de Ven, A.H., Polley, D.E., Garud, R., and Venkataraman, S. (1999). *The Innovation Journey*, New York: Oxford University Press.
 20. West M.A. (2000). State of the art: Creativity and innovation at work. *Psychologist* , 13(9), 460–464.
 21. Woodman RW, Sawyer JE, Griffin RW (1993) Toward a theory of organizational creativity. *Academy of Management Review*, 18(2):293–321.
 22. Wright, P.M., McMahan, G.C., and McWilliams, A. (1994). Human Resources and Sustained Competitive Advantage: A Resource-based Perspective. *International Journal of Human Resource Management*, 5, 2, 301–326.
 23. Wright, P. M., & Boswell, W. R. (2002). Desegregating HRM: a review and synthesis of micro and macro human resource management research. *Journal of Management*, 28, 247–276.

SERVICE MEASUREMENT AT RETAIL STORES IN SELECTED CITIES

C. S. Dalvi

ABSTRACT

Retail Industry India is expected to grow at 10 per cent a Compound Annual Growth Rate (CAGR) of to \$ 1.6 trillion by 2026 from \$ 641 billion in 2016. Overall retail market of consumer is likely grow at the rate of 12 per cent per annum, retail though organized retail industry may grow at the rate of 20 per cent per annum as compared to the traditional retail or unorganized retail market which is likely to grow at the rate of 10 per cent.

Lifestyle in India is changing and the concept of 'value for money' is picking up local companies and local-foreign joint ventures are expected to more advantageously position than the purely foreign ones. Up and coming modern retail channels such as hypermarkets, supermarkets, convenience stores and discounters were unable to make a significant mark in grocery retailers' value due to a limited geographical spread in consumer reach. Department stores within mixed retailers were the forerunner in growth, being boosted by the introduction of lifestyle concept stores. The average Indian deserves consumption of good quality of products at prices he can afford. In a developing country like India, a major chunk of a consumer's expenditure is on retail products.

Keywords: Retailing, modern retails, service, FDI, Unorganized retail, Customer. Facility

Introduction

The term 'retailing' refers to any activity that involves a sale to an individual customer. Currently, Retailing is the buzzword in Indian Industry. The Indian retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. It accounts for over 10 per cent of the country's Gross Domestic Product (GDP) and around 8 per cent of the employment. India is the world's fifth-largest global destination in the retail space. Retail Industry in India is expected to grow at 10 per cent a Compound Annual Growth Rate (CAGR) of to \$ 1.6 trillion by 2026 from \$ 641 billion in 2016. Overall retail market of consumer is likely to grow at the rate of 12 per cent per annum, even though organized retail industry may grow at the rate of 20 per cent per annum as compared to the traditional retail or unorganised retail market which is likely to grow at the rate of 10 per cent. (India Brand Equity Foundation, 2018)

India's Business to Business (B2B) e-commerce market is expected to reach US\$ 700 billion by 2020. India has replaced China as the most promising markets for retail expansion, supported by expanding economy, coupled with booming consumption rates, urbanizing population and growing middle class. India is expected to become the world's fastest growing e-commerce market,

driven by robust investment in the sector and rapid increase in the number of internet users. Various agencies have high expectations about growth of Indian e-commerce markets. Indian e-commerce sales are expected to reach US\$ 120 billion by 2020 from US\$ 30 billion in FY2016. Further, India's e-commerce market is expected to reach US\$ 220 billion in terms of gross merchandise value (GMV) and 530 million shoppers by 2025, led by faster speeds on reliable telecom networks, faster adoption of online services and better variety as well as convenience. The size of modern retail in India is expected to double to Rs 171,800 crore (US\$ 25.7 billion) from Rs 87,100 crore (US\$ 13 billion) in three years driven by Omni-channel retail. (India Brand Equity Foundation, 2018)

Lifestyle in India is changing and the concept of 'value for money' is picking up local companies and local-foreign joint ventures are expected to more advantageously position than the purely foreign ones. Up and coming modern retail channels such as hypermarkets, supermarkets, convenience stores and discounters were unable to make a significant mark in grocery retailers' value due to a limited geographical spread in consumer reach. Department stores within mixed retailers were the forerunner in growth, being

© SBPIM

Associate Professor, CSIBER, Kolhapur

Contact No. :

Email Id: drcsdalvi@siberindia.edu.in

boosted by the introduction of lifestyle concept stores.

2. Objectives of Study

1. To study opinion about organized retail stores in selected cities in western Maharashtra.
2. To know customer satisfaction level about the services provided by the retail stores.
3. To put forth suggestions to improve the utilization of resources at retail stores, if any.

3. Research Methodology

3.1 Methods of Data Collection

For accomplishment of the above objectives, primary and secondary data needs to be collected

Table No. 4.1: Location of Store -Time Required to visit Retail Outlet.

| Time | Lees than 10min. | | 10 to 20 min. | | 20 to 30 min. | | More than 30 min. | | Total | |
|--------------|------------------|------|---------------|------|---------------|------|-------------------|-----|------------|-----|
| | Freque ncy | % | Freque ncy | % | Freque ncy | % | Freque ncy | % | Freque ncy | % |
| Kolhapur | 62 | 24.8 | 134 | 53.6 | 42 | 16.8 | 12 | 4.8 | 250 | 100 |
| Solapur | 75 | 30 | 117 | 46.8 | 47 | 18.8 | 11 | 4.4 | 250 | 100 |
| Satara | 65 | 26 | 124 | 49.6 | 38 | 15.2 | 23 | 9.2 | 250 | 100 |
| Sangli | 76 | 30.4 | 134 | 53.6 | 21 | 8.4 | 19 | 7.6 | 250 | 100 |
| Total | 278 | 27.8 | 509 | 50.9 | 148 | 14.8 | 65 | 6.5 | 1000 | 100 |

As we are discussing about the convenient goods and amount of time required to travel to the shop is considered by the people while making decision. As time goes on increasing then decision is not to go to that shop. Whether people like to travel for shopping or not is to be identified and hence the question was raised.

Table 4.1 shows that 50.9% of the respondents stated that they take around 10 to 20 minutes to reach the retail shop. The distribution is almost equal in the region. Similarly 27.8 % of the respondents stated that they reach the retail shop within 10 minutes. 14.5 % responded that they require 20 to 30 minutes to reach to retail stores. Only 6.5 % respondents stated that they took more tomes (more than 30 minutes) to reach to

from various sources. Primary data was collected from the shoppers so as to get first-hand information about a topic and for the purpose of analyzing information. The collection of data is supposed to be mainly through survey with the help of structured questionnaires.

3.2 Sampling

The sampling method used for collecting information from respondents was Convenient Quota Random Sampling. Quota of 1000 number of respondents is decided for the study.

4.0 Data Analysis and Interpretation

Primary data was collected from the shoppers and is analysed in the following tables

retail stores. It clearly shows that people don't want spend more time in traveling while shopping at the retail stores. As time increases interest to visit the retail shop goes on decreasing. Bus is one type of transport where people don't have control on their won the mode which is the reason which takes more time to reach to the retail stores. Otherwise people travel easily by Four wheeler, two wheeler or by Auto rickshaw. This shows that the location of the retail store should be such that it should be within the reach of 30 minutes from all the corners of the area or city. If there is sufficient number of visitors in a particular direction then one more branch can be opened so that it will be easily accessible to the people

Table No.4.2: Availability of Parking At Stores

| City | Kolhapur | | Solapur | | Satara | | Sangli | | Total | |
|------------------------|------------|------|------------|------|------------|------|------------|------|------------|------|
| | Freque ncy | % |
| Fully satisfied | 67 | 26.8 | 124 | 49.6 | 61 | 24.4 | 47 | 18.8 | 299 | 29.9 |
| Satisfied | 128 | 51.2 | 78 | 31.2 | 109 | 43.6 | 112 | 44.8 | 427 | 42.7 |
| Can't say | 25 | 10 | 34 | 13.6 | 54 | 21.6 | 55 | 22 | 168 | 16.8 |
| Dissatisfied | 25 | 10 | 9 | 3.6 | 19 | 7.6 | 23 | 9.2 | 76 | 7.6 |

| | | | | | | | | | | |
|---------------------------|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|
| Fully dissatisfied | 5 | 2 | 5 | 2 | 7 | 2.8 | 13 | 5.2 | 30 | 3 |
| Total | 250 | 100 | 250 | 100 | 250 | 100 | 250 | 100 | 1000 | 100 |

If the people are carrying their own vehicle then it is necessary to have parking facility. Parking facility need to be belongs to retail store and there should be enough space parking otherwise people may not space for their vehicles. They have parked the vehicle far off. It become cumbersome to walk especially after the tired some shopping and with shopping bags in hands.

Table 4.2 shows that 29.9 % of the respondents are fully satisfied with the parking facility. 49.6% which is maximum respondents from Solapur are fully satisfied with parking facility while 18.8 % which is minimum respondents of Sangli are fully

satisfied with parking facility. Solapur stores have spacious parking slots as compared to other city. 42.7 % of the respondents are satisfied with the parking facility. If we add both fully satisfied and satisfied responses then it shows that 72.6 % respondents are happy with the parking facility provided. This means the stores are providing sufficient parking to the visitors at moment. However if population goes on increasing and rate of visit to the store increases then this will be hampered.

Table No.4.3: Attractive Facet Attracts Shoppers'

| City | Kolhapur | | Solapur | | Satara | | Sangli | | Total | |
|--------------------------|-----------|------|-----------|------|-----------|------|-----------|------|-----------|------|
| | Frequency | % |
| Strongly agree | 87 | 34.8 | 98 | 39.2 | 109 | 43.6 | 107 | 42.8 | 401 | 40.1 |
| Agree | 121 | 48.4 | 112 | 44.8 | 117 | 46.8 | 99 | 39.6 | 449 | 44.9 |
| Undecided | 23 | 9.2 | 19 | 7.6 | 9 | 3.6 | 23 | 9.2 | 74 | 7.4 |
| Disagree | 13 | 5.2 | 14 | 5.6 | 8 | 3.2 | 15 | 6 | 50 | 5 |
| Strongly disagree | 6 | 2.4 | 7 | 2.8 | 7 | 2.8 | 6 | 2.4 | 26 | 2.6 |
| Total | 250 | 100 | 250 | 100 | 250 | 100 | 250 | 100 | 1000 | 100 |

People must feel happy to enter the store or it is essential to be happy at the time of entry into service place otherwise it may have negative effect on the decision making. So it is essential to have better entry or entrance facade. In order to understand effect of the entrance on the minds of the respondents the question was raised.

Table 4.3 shows the distribution of the respondents as they attracted towards the retail shop due to the attractive entrance. Overall 40.1 % respondents are strongly appreciated the facade of the stores while 44.9 % stated that they agree

that the entrance is attractive. In all 85% respondents are happy when they visit and look at the entrance of the store. Table also shows that Satara and Sangli stores have better effect on the visitors are strongly agree to the tune of 43% as compared to the Solapur and Kolhapur. 34.8 % Kolhapur respondents are strongly agree with the attractive facade of the store. The distribution of the respondents is almost uniform in the region. It can be said that 'attractive façade of the retail store' is one of the important factor which have positive effect on the minds of the customer.

Table No. 4.4: Effective Check- In and Check-Out System

| Opinion | Strongly agree | agree | Can't say | Disagree | Strongly Disagree |
|---------|----------------|-------|-----------|----------|-------------------|
|---------|----------------|-------|-----------|----------|-------------------|

| City | Frequency | % | Frequency | % | Frequency | % | Frequency | % | Frequency | % |
|--------------|------------|-------------|------------|-------------|-----------|------------|-----------|------------|-----------|------------|
| Kolhapur | 137 | 54.8 | 73 | 29.2 | 17 | 6.8 | 15 | 6 | 8 | 3.2 |
| Solapur | 95 | 38 | 82 | 32.8 | 27 | 10.8 | 32 | 12.8 | 14 | 5.6 |
| Satara | 97 | 38.8 | 104 | 41.6 | 17 | 6.8 | 23 | 9.2 | 9 | 3.6 |
| Sangli | 77 | 30.8 | 108 | 43.2 | 26 | 10.4 | 28 | 11.2 | 11 | 4.4 |
| Total | 406 | 40.6 | 367 | 36.7 | 87 | 8.7 | 98 | 9.8 | 42 | 4.2 |

Type and extent of security measures adopted by the retail stores is important as it is public place. To protect the estate of the store as well as the safety of the visitors is prime responsibility to be taken by the retail stores. Similarly at the time of check out, to have control on theft, it is necessary to have proper check out of the shopping goods. Table 4.4 shows the distribution of the respondents according to their opinion regarding the check in and checkout security measures adopted by the stores. Overall 40.6% respondents are strongly agreed with security measures while 36.7 % are agree with the security measures. 8.7 % have no opinion. 9.8 % and 4.2% respondents are

disagreeing and strongly disagree about the security measures. Highest 54.8% respondents from Kolhapur are strongly agreed while 30.8% respondents of Sangli are strongly agreed about the same. Kolhapur and Solapur respondents are agree to the tune of 30-32% as compared to Satara and Sangli respondents who are agree to the tune of 42-43%. Even though the 14% respondents are not happy with the security measures, it is necessary to understand for the stores the reasons about the security measures at the time of Check in and check out. Overall the people are happy with the check in and checkout facility available at the stores.

Table No.4.5: Billing Counter Opinion

| City | Kolhapur | | Solapur | | Satara | | Sangli | | Total | |
|--------------------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|------------|
| | Frequency | % | Frequency | % | Frequency | % | Frequency | % | Frequency | % |
| Strongly agree | 175 | 70 | 131 | 52.4 | 74 | 29.6 | 90 | 36 | 470 | 47 |
| Agree | 45 | 18 | 85 | 34 | 115 | 46 | 113 | 45.2 | 358 | 35.8 |
| Undecided | 14 | 5.6 | 14 | 5.6 | 23 | 9.2 | 15 | 6 | 66 | 6.6 |
| Disagree | 10 | 4 | 13 | 5.2 | 26 | 10.4 | 26 | 10.4 | 75 | 7.5 |
| Strongly disagree | 6 | 2.4 | 7 | 2.8 | 12 | 4.8 | 6 | 2.4 | 31 | 3.1 |
| Total | 250 | 100 | 250 | 100 | 250 | 100 | 250 | 100 | 1000 | 100 |

People visit the stores with good energy levels but as they spend their time in the stores, they get physically and mentally tired. Shopping is considered as fruitful and enjoyment time but waiting is always considered by the human being as waste of time and don't have patience to wait in queue. If at the billing counters, long queues are observed, people have negative opinion about the store. It is essential to have sufficient number of billing counters so that people will not have fatigue and negative opinion about the stores.

Table 4.5 shows the distribution of the respondents according to the opinion about the availability of number of billing counters in the stores. 47% of the respondents in the region strongly stated that there is sufficient number of billing counters in the stores. 35.8% of the respondents in the region stated that there is sufficient number of billing counters in the stores. Overall 82.8% of the respondents of the region is happy with the number of billing counters available in the region. 70% of the Kolhapur

respondents strongly agree with sufficient billing counters which is found to be maximum in the region as compared to 29.6% respondents of Satara which is minimum. There is great variation is observed in this factor and hence the opinion is

also varied accordingly. It also shows that Satara and Sangli stores have less number of billing counters as the respondents are unhappy with the same. They may be spending more time at the time of checking out at the billing counter

Table No. 4.6: Satisfaction about Lighting Arrangement

| City | Kolhapur | | Solapur | | Satara | | Sangli | | Total | |
|-------------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|------------|
| | Frequency | % | Frequency | % | Frequency | % | Frequency | % | Frequency | % |
| Strongly agree | 59 | 23.6 | 91 | 36.4 | 91 | 36.4 | 139 | 55.6 | 380 | 38 |
| Agree | 155 | 62 | 125 | 50 | 138 | 55.2 | 82 | 32.8 | 500 | 50 |
| Undecided | 12 | 4.8 | 19 | 7.6 | 7 | 2.8 | 9 | 3.6 | 47 | 4.7 |
| Disagree | 17 | 6.8 | 12 | 4.8 | 12 | 4.8 | 9 | 3.6 | 50 | 5 |
| Strongly Disagree | 7 | 2.8 | 3 | 1.2 | 2 | 0.8 | 11 | 4.4 | 23 | 2.3 |
| Total | 250 | 100 | 250 | 100 | 250 | 100 | 250 | 100 | 1000 | 100 |

Better lighting arrangement gives clarity and more energetic environment in the store. People when look around in the store they are able to see the things not only nearby shelves but also far off shelves. They able to read correct information about the product. Packaging as a silent salesperson in the store brightens the product and customers able identify their product category.

The above table shows that 38% respondents are strongly agree that the lighting arrangement made at the store is good and they don't have any

grudge against the lighting arrangement. However lighting arrangement is better at Sangli (55.6% respondents which is highest) as compared to Kolhapur (26.4%) 50% respondents stated that they agree that the lighting arrangement at the store is good. 62% respondents of Kolhapur agree with the statement which is highest as compared to 32.8% of Sangli. Only 5% and 2.3 % respondents were disagree and strongly disagree regarding better lighting arrangement at the stores. This is almost uniform in the region.

Table No.4.7 Proper Directions are Sufficient and Informative

| City | Kolhapur | | Solapur | | Satara | | Sangli | | Total | |
|-------------------|-----------|------|-----------|------|-----------|------|-----------|------|-----------|------|
| | Frequency | % |
| Strongly agree | 123 | 49.2 | 68 | 27.2 | 72 | 28.8 | 55 | 22 | 318 | 31.8 |
| Agree | 108 | 43.2 | 117 | 46.8 | 132 | 52.8 | 136 | 54.4 | 493 | 49.3 |
| Undecided | 8 | 3.2 | 13 | 5.2 | 15 | 6 | 13 | 5.2 | 49 | 4.9 |
| Disagree | 5 | 2 | 42 | 16.8 | 17 | 6.8 | 34 | 13.6 | 98 | 9.8 |
| Strongly Disagree | 6 | 2.4 | 10 | 4 | 14 | 5.6 | 12 | 4.8 | 42 | 4.2 |

| | | | | | | | | | | |
|--------------|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|
| Total | 250 | 100 | 250 | 100 | 250 | 100 | 250 | 100 | 1000 | 100 |
|--------------|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|

Retail store is full of varieties and number of sections. If customers are visiting on regular basis, they may not find it difficult to find the particular section for shopping. However if non frequent visitors are shopping, then it is difficult to locate a particular section or department or product. It is essential to have proper directions, signs and information in the stores at important locations so that the customers will not find it difficult to identify a particular section or information. In the absence of the proper directions, people feel that they are lost in the stores.

The above table shows the distribution of the respondents according to the opinion regarding the availability of proper directions and information in the store. It shows that 31.8 and 48.3% respondents strongly agree and agree respectively about proper signs in the stores. Better display has been observed in Kolhapur as compared to other cities as more respondents have given favourable reply(49.2% against 22-28%). 4.9% respondents are not really sure about the answer while around 15% respondents falls in the category of non availability of proper signs in the stores. It can be stated that the store are taking care about the proper display of information in the stores but they need to identify locations where the people find difficulty in location some sections.

5) Findings

1) Respondents visiting the stores every week are not significant but provide the opportunity to the store to attract the more people on regular basis the store is not a place where people can enjoy and relax and hence the once in month is the major option observed. They purchase their monthly food grains, daily requirements such as cosmetics and toiletries. Small % of the respondents visit the stores rarely electronic items, kitchen appliances and toys are also kept by the stores. But the speciality stores for each of the category do exist in the outside open market and hence people don't buy the these products regularly from the stores. Lack of Variety of the product category in these categories may be one of the reason for not shopping the goods. They may have space limitation for keeping the complete and broad variety of products in the given categories.

Physical environment of the Store is one of the P in service marketing which is bundle of

cleanliness lighting, display, furniture, housekeeping ventilation etc.

- 2) 72.6 % respondents are happy with the parking facility provided. This means the stores are providing sufficient parking to the visitors at moment. However if population goes on increasing and rate of visit to the store increases then parking facility will be hampered.
- 3) 85% respondents are happy when they visit and look at the entrance of the store. Satara and Sangli stores have better affect on the visitors are strongly agree to the tune of 43% as compared to the Solapur and Kolhapur. 34.8 % Kolhapur respondents are strongly agree with the attractive facade of the store. The distribution of the respondents is almost uniform in the region
- 4) Better lighting arrangement gives clarity and more energetic environment in the store. People when look around in the store they are able to see the things not only nearby shelves but also far off shelves. 38% respondents are strongly agreed that the lighting arrangement made at the store is good and they don't have any grudge against the lighting arrangement. 7.3 % respondents were dissatisfied with better lighting arrangement at the stores. Bright lighting improves the face value of the product with bright colors which in turn attracts the customers.
- 5) Most of the departmental stores are spacious with number of facilities and sections. Proper information has to be given to the customers regarding designated sections, directions to these facilities, customer care, washrooms, parking, enquiry, etc. If non frequent visitors are shopping, then it is difficult to locate a particular section or department or product. It is essential to have proper directions, signs and information in the stores at important locations so that the customers will not find it difficult to identify a particular section or information. 80.1% respondents are satisfied with proper signs in the stores. Better display has been observed in Kolhapur as compared to other cities. 15% respondents are dissatisfied with improper or non availability of proper signs in the stores. It can be stated that the store are taking care about the proper display of information in the stores but they need to identify locations where the

people find difficulty in location some sections.

- 6) Proper arrangement of furniture in the store is essential interns of easy access to the customer and staff. It also adds aesthetic value to the store which may attract the customer. Stacking arrangement in each section may be different as per the requirement of the product. 87.9 % respondents are happy with the arrangement of furniture. Customers are happy with the arrangement of the shelves and racks in the stores. Only 6.3 % respondents are unhappy about the arrangement. Customers are happy with comfort while shopping due to arrangement of racks and shelves. In retail stores, customers have to help themselves to identify, handle and choose the products. Hence there has to be comfortable arrangement of furniture such as shelves and racks
- 7) Entrance of the store should also be attractive and easy accessibility. It must be clean and open. It must be easy for movement of people and trolley. If the old customers are visiting then it should not create problem for them. 73.9 % respondents are happy about the store entrance. 23.8 % respondents are not satisfied with the entrance of the stores. The reasons observed to be are congestion, steps to climb, no aesthetic look, access is unclear. Except Solapur other cities respondents around 26% are not happy with gate or entrance, its location or unattractiveness. There is a need to work on this factor by the retail stores carefully.
- 8) The store needs to be located at the central place so that it is convenient for the customers in the radial territory to visit at convenience. However if the location is congested area then there is likely to be problem like traffic jam, parking facility, air and sound pollution, difficult to walk etc. This creates frustration or mental tension to the customers. This results into erosion of happiness of shopping. 70.9% respondents are unhappy due to the congested location of the retail store. 80 % respondents of Sangli are dissatisfied due to the inconvenient location of the store. 10.8% respondents were disagreeing with the statement. Some stores are in the region are situated away from the city center and hence there is no congestion due to traffic. Table also clarifies that requirement of billing counters will be decreased and hence less sales personnel required. Kolhapur city stores locations are better as

compared to other cities in the region. Sangli stores are located at most congested

- 6) Suggestions:** There are many sections and facilities provided by the retail store. Retail store can carry out continuous changes in the sections. These changes are of two types.

- a) Changing arrangement of the sections
- b) Changing arrangement of Product in the section
- c) Changing display patterns in the section

Customers are looking for a change. Due to change in the store, they perceive the store in more positively as they feel refreshed environment. It is observed that some stores are making this change regularly. The customers felt refreshed in the changed environment when they visit the store next time. However care has to be taken that entire store should not undergo change because customers miss their belonging feeling which they usually carry. They feel completely strange environment and may take more time in shopping as their mind miss the previous feeling. At the same time, it will require more time for overall reshuffling leading to increase in cost. Parking facility is not enough even today. In coming days, the facility will be under pressure and customers will find problem of parking. They need to park their vehicle far from the retails stores. Due to this problem there is a chance that crowded retail store will likely to lose their customers. The problem analysis shows that the problem observed on week days, first ten days of the month. In order to spread this customer "happy our shopping", extra schemes can be developed by the stores. Customers need to be motivated to visits at non peak times. This will help the store in many ways.

- ✓ Sales pressure on the store will be distributed.
- ✓ Parking problem will be sorted out to some extent.
- ✓ Requirement of billing counters will be decreased and hence less sales personnel required.
- ✓ Customers will be happy to visit the store.

- ✓ Increase in customer satisfaction.
- ✓ Trolley will be available to the customers.

7) Conclusion: - Retail Industry is growing in India at significant rate. At the same time tastes and preferences of the customers are also changing. People are slowly shifting from traditional stores to modern retail formats. Retail stores are making their efforts to attract the customers by offering them good discount. Customers found that they are able to save on their monthly expenditure and they prefer to visit the nearby retail formats. However, low income group of lower social culture environment people have their own personal reasons for not going to these stores. One can say that organized retail industry will definitely perform better in the coming years.

Acknowledgement: - This article has been developed from the minor research project entitled as 'Problems and Prospects of Retail Business in Selected Cities in Western Maharashtra' sponsored by Indian Council of Social Science Research (ICSSR), New Delhi

References:

1. India Brand Equity Foundation, 2018 - www.ibef.org
2. IBEF (India Brand Equity Foundation) Report (Oct 2018)
3. N.V.Kavitha, J.P.Bharathi, (2013), "Retail Management and Customer Experience", Commonwealth Publishers pvt.ltd., New Delhi
4. Barry Barman, Joel R. Evans, Partali Chatterjee, Ritu Shrivastava, 13th edition, "Retail Management- A strategic approach, Pearson Education, Inc.
5. D.P.Sharma, (2015), "e-Retailing – Principles and practices" , Himalaya Publishing House Pvt. Ltd, Mumbai
6. Srini R. Srinivasan, (2015), "Strategic Retail Management", Biztantra, New Delhi
7. Prashant Chaudhary, (2016), "Retail Marketing In The Modern Age", SAGE Publications India Pvt. Ltd., New Delhi

TRANSFORMATIONAL LEADERSHIP: HELPING IN MOTIVATING EMPLOYEES

Deepshikha Satija
Hansraj D.Thorat

ABSTRACT

Creating and maintaining sustainable businesses require an understanding of the role of leadership in enhancing personal outcomes of employees, and of the processes by which they can be enhanced. From the last few years it has been witnessed that transformational and charismatic leadership are very important aspects of leadership that are highly associated with individual as well as organizational performance. Effectiveness of leadership measures the ability of leaders to provoke the followers towards the collective goals.

Keywords: Transformational Leadership, Motivation, Charismatic Leadership

Introduction:

Researchers who have explored transformational and charismatic leadership; they must include motivational effect in their study (Shamir, House, & Arthur, 1993). Actually scholars have described transformational leadership by taking motivational effect regarding the followers. There are four dimensions that are proposed by Bass and Avolio (1994) of transformational leadership; Idealized Influence, Inspirational Motivation, Individualized Consideration and Intellectual Stimulation. Inspirational Motivation includes the urge of leader to followers for attaining goals through describing the goals in attractive and compensating manner, which motivate employees. Idealized influence means being a role model in front of employees and ready for sacrifices for the good of whole group. Leaders have high level of ethical conduct and do anything for the team. Individual Consideration includes attention, encouragement and support of leader to followers. Intellectual Stimulation conclude that leader enable the followers for probing the problems in a new way that is easy and creative.

Early research of transformational leadership was about the features of leaders and their relationship with followers. Further research on the behaviors of transformational leaders proposes that transformational leadership is intervened by the leader's activities the aptitude to craft a common vision, to coherent clear and expressive goals, to permit employees, and dependable behavior.

Literature Review:

Now a days every scholar defines motivation in their own words for explanation. It may include the words like desire to do the work, aim, motives and needs etc. Actually the word motivation is extracted from Latin word 'To Move'. So Luthans (2005) says that motivation can be explained as a process of driving the force that exists in human to get the desired goal or aim that is set in mind. According to him there are three basic elements; Needs, Drives and Incentives. It shows that when there is imbalance that human nature the need of anything is created. To fulfill the need, there is a force that encourages getting the required satisfaction, so under this process these elements acts to complete the motivation meanings.

Motivation

Baluch (2006) defines motivation as a force of a person that induces him to attain the desired goals. Actually motivation is extracted by word "Motive". This means to move in pursuit of goals. Every person has some objectives which have to be fulfilled. That's why management must allocate motive to every individual or team to achieve goals for management. According to Gray and Starke (1997), motivation is actually focus on how much the person is persisting about getting their goals. It may be elaborated as factors that affect individuals internally and externally that create enthusiasm to do that specific acts for getting the desire tasks. It also specify the properties of motivation, that every person has unique qualities, this fact is intentionally not

© SBPIM

Freelancer.

Contact No. :

Head Research, Global Business School, Tathawade, Pune

Contact No. : 9822277614

Email Id: deepshikha237@yahoo.co.in

Email Id: hdthorat@yahoo.com.in

automatic, it means person have sense to do that task which want to do, it is arise due to some reason and motivation theories predict the behavior that lead to good performance and ultimately get incentives.

Motivation factor is very necessary in organization regarding the performance of employees but we can't say that the person who is motivated is good performer. Their performances depend upon possession of skills regarding the training related to job. In automobile and industrial engineering there is need of little motivation but the productivity is high. But on other side where motivation is very necessary high level of motivation is required for high level of production. It is not necessary highly motivated workers are more productive. If there is no motivation among the workers then the performance rate will be low that will be harmful for workers as well as organization, but the job related training is also crucial for the skills that lead to motivation. Robbins, Judge and Vohra (2010) define motivation as intensity of effort of an individual to get the desired goals. Key components that elaborate the motivation are persistence, direction and intensity.

It means the effort should be to a specific and production side that can produce positive and fruitful results; second one is the persistence, means that the efforts should be consistence to achieve the required aim. Third one is intensity that means how much the individual is keen to get the required goals for him as well as organization. Motivation can be positive, negative and neutral. Positive motivation will be in shape of salary, recognition and fringe benefits. But negative motivation can demote the job performance. Motivation actually drive the force that exist in person to act in desire way.

Transformational Leadership

According to Gray and Starke (1997) leadership is a quality of an individual that inspire the followers for achieving their goals. Leadership is not only to direct the follower but also assist in a critical condition when they require support. As we can say that leadership is combination of two aspects, which is process and property. Leadership is process of influencing the subordinates through direction and also supports for achieving their desired objectives, on the other hand property as the inborn quality of an individual that is attributed for getting success through followers. Slocum and Hellriegel (1982) define leadership as the continuous process of influencing the followers. It is necessary for the leader whom followers should want to follow. Leaders are the persons who direct and also assist the follower's needs and command their loyalty and achieve desire aim. Great persons are that who is

able to receive admiration form subordinates to whom they are dealing. Leadership is a deed that the person do but we can't say that the aggressiveness or strict command by any one. It is a two-way communication in which leaders command the followers and the subordinates obey that commands. Good leaders do not take decision at once instead of; they take decision after thinking and mutual understanding. Transformational leadership style has their own four dimensions that include Idealized Influence (II), Individual Consideration (IC), Intellectual Stimulation (IS) and Inspirational Motivation (IM) that are elaborated as under.

Idealized Influence (II)

Under this dimension of transformational leadership, leaders provide vision, mission and faith and also inspire subordinates about objectives of organization. This quality of leadership makes leader a role model in front of followers.

They feel proud and dignity with accompanying such type of bold leader, in that way subordinates follow their decision and determination. Such leaders have more capabilities, consistency and determination against problems. This quality has to elements that are behavioral and attributed influence. By keeping this type of trait leader become more risk taker and stable about their communication regarding business transactions. They also have high level of ethics and determination in their conduct. Under this dimension leader feel that the follower gave him respect, on the other hand leader gave followers mission (Hater & Bass, 1988). In this environment follower do their assignment accordingly and want to do above the specific target (Amabile et al., 1996; Amabile et al., 2004; Jung et al., 2003). In this way leaders effect the motivation of employees in positive manner.

Individual Consideration (IC)

This quality of leader inspires them for coaching and training of subordinates and stimulates them for getting experiences. In this, leader pays attention at individual level. Followers feel very happy and comfortable when they are directed individually. They feel capable for that deed. Leaders act as coach for whole team who train them for achieving desire goals and objectives of the company that can enable the followers for recognition and rewards in shape of money and nominal wages. Face to face communication between leader and followers encourage them that are fruitful for working environment. This dimension of leadership enhance the capability of leader to pay more attention to followers, transmit project work to them and feel that they can get more experience by doing this action

(Hater & Bass, 1988). Leaders gave them discretionary powers for fulfillment of their working needs and act according to direction, so they want to dedicate time for work due to feelings of discretion and test their capabilities in working environment. Thus employees are stimulated to achieve high level of motivation.

Intellectual Stimulation (IS)

Transformational leader motivate followers in new way, they make them creative, and they become a good decision maker. They focus on reasoning behind every action. Transformational leader always direct their followers to find the solution of problems in logical manner rather than in traditional setup. This situation makes subordinates creative, critical and logical.

Creativity is highly invigorated. Leaders think that followers have enough potential for getting their goals. More creative followers get recognition from leaders but do not criticized if they do not act according to desire of leader. Intellectual stimulation increases the ability of think in unique way and gave new ideas about problem solving and enhances the dilemmas solving skills (Hater & Bass, 1988). On the other hand it also encourages challenging status quo and using high level of imagination. Under this situation they just focus on task without taking attention of external factors. Thus followers think about problem solving that can lead to motivation.

Inspirational Motivation (IM)

Leader motivate the followers by accepting challenges and also act as model for them, het inspire for achieving goal effectively. Transformational leadership enables leader to explain the meanings of challenges that have to face and motivate them. They motivate the followers for achieving optimum results. Leader tells followers about future affairs and also aware about the future goals and vision of organization that is actually commitment to goals. Through this leaders make a symbol of courage and model for stimulation of subordinates, their efforts for work and encourage them for getting more then they want for their self-interest. When leaders encourage their followers for express some new ideas then they can freely elaborate their internal feeling and unique ideas because they feel that their ideas will be supported by leaders (Bass & Avolio, 1995; Sosik et al., 1998) 3. Relationship between Transformational Leadership and Motivation Shamir et al. (1993) find the effect of charismatic leadership on motivation that is based on self-concept theory. Actually all the findings based on previous studies. Under this study authors make three prepositions and

then find results by applying tests. Findings of the study show that motivation can be achieved through informal roles and other social activities among the peers. Theory of transformational leadership is very important in field of leadership and many studies show that there is positive relationship of transformational leadership and other dependent variable like satisfaction, commitment, motivation and performance of the employees (e.g. Kane & Tremble, 2000; Lowe et al., 1996).

Cheung and Wong (2010) found that there is positive relationship between transformational leadership and employee creativity that results were consistent with findings of Shin and Zhou (2003) study. They argue that leaders care for their needs and wants related to social activities that ultimately affect the power of ideas generation. Transformational leadership is surrounded by idealized influence, intellectual stimulation, and inspirational motivation (Trottier, Van Wart, & Wang 2008). Transformational leaders link a persuasive vision that stimulates strong feelings, and they work as ethical and honorable hero (Bass 1985), rising followers' perception about ideal goals and inspiring followers to surpass their own interest, collective objectives (Shamir, House, & Arthur 1993). Transformational leadership is related with positive conduct of employees including duty performance and numerous actions of organizational citizenship behaviors (Podsakoff et al. 2000)

Conclusion:

Employee Motivation is very important factor for organization because it is the only factor that can enhance the capability of employees and can lead to success of organization. So there are lots of studies available on motivation and transformational leadership. And it's not that transformational leadership aides in once aspect of the developing the employees in the organization, rather they do their best to extract the best out of any employees and inculcate more and more into their personality which can be helpful in making them better everyday.

References:

1. Adams, J. S. (1965). Inequity in social exchange. *Advances in Experimental Social Psychology*, 2, 267-299
2. Amabile, T.M., Conti, R., Coon, H., Lazenby, J. and Herron, M. (1996). Assessing the work environment for creativity. *Academy of Management Journal*, Vol. 39, pp. 1154-84.
3. Amabile, T.M., Schatzel, E.A., Moneta, G.B. and Kramer, S.J. (2004). Leader behaviors and the work environment for creativity: leader support, *Leadership Quarterly*, Vol. 15, pp. 5-32. Balouch,

- K. B. R. (2006). Principle of Management. SaghirHussainProprietor: Allied Book Center, 34-Urdu Bazar, Lahore
4. Bandura, A. & Cervone, D. (1986). Differential engagement of self-reactive influences in cognitive motivation. *Organizational Behavior and Human Performance*, 38, 92-113.
 5. Bass, B. M. 1985. Leadership and performance beyond expectation. New York: Free Press.
 6. Bass, B. M., & Avolio, B. J. 1994. Improving organizational effectiveness through transformational leadership. Thousand Oaks, CA: Sage.
 7. Bass, B.M. (1995). Transformational Leadership redux, *Leadership Quarterly*, 6, 463-78
 8. Bass, B.M., & Avolio, B.J. (1993). Transformational Leadership: a response to critiques, in Chemers, M.M and Ayman, R. (Eds), *Leadership Theory and Research: Perspective and Directions*. Academic Press, Sac Diego, CA, 49-80
 9. Bodla, A. M., & Nawaz, M. M. (2010). Transformational Leadership style and its relationship with satisfaction. *Interdisciplinary Journal of Contemporary Research in Business*, 1(2).
 10. Carrell, M.R. & Dittrich, J.E. (1978). Equity theory: the recent literature, methodological considerations and new directions. *The Academy of Management Review*, 3 (2), 202-210.
 11. Dvir, T., Eden, D., Avolio, B. J., & Shamir, B. 2002. Impact of transformational leadership on follower development and performance: A field study. *Academy of Management Journal*, 45: 735-744
 12. Gray, L. J., & Starke, A.F. (1997). *Organizational Behaviour Concepts and Applications*. London. Charles E. Merrill Publishing Company.
 13. Hackman, J.R. & Oldham, G. R. (1976). Motivation through the design of work: test of a theory. *Organizational Behavior and Human Performance*, 16, 250-279.
 14. Hater, J.J., & Bass, B.M. (1988). Superior evaluations subordinates perceptions of transformational and transactional leadership, *Journal of applied Psychology*, 73, 659-702
 15. Higgins, E. T. 1997. Beyond pleasure and pain. *American Psychologist*, 52: 1280-1300.
 16. Isaac, R., Zerbe, W. & Pitt, D. (2001). Leadership and motivation: the effective application of expectancy theory. *Journal of Managerial Issues*, 13 (2), 212-226.
 17. Judge, T. A., & Piccolo, R. F. 2004. Transformational and transactional leadership: A metaanalytic test of their relative validity. *Journal of Applied Psychology*, 89: 755-768
 18. Jung, D.I. and Avolio, B. (2000). Opening the black box: an experimental investigation of the mediating effects of trust and value congruence on transformational and transactional
 19. Jung, S.S., Sosik, J.J. and Avolio, B.J. (2003). Effects of leadership style, anonymity, and rewards on creativity-relevant processes and outcomes in an electronic meeting system context. *Leadership Quarterly*, Vol. 14, pp. 499-524.
 20. Kane, T.D. and Tremble, R.T. (2000). Transformational leadership effects at different levels of the army. *Military Psychology*, Vol. 12 No. 2, pp. 137-60.
 21. Kent, Thomas W., John C. Crotts, and Abdul Azziz. 2001. Four Factors of Transformational Leadership Behavior. *Leadership and Organization Development Journal* 22(5): 221-29.
 22. Lowe, K.B., Kroeck, K.G. and Sivasubramaniam, N. (1996). Effectiveness correlates of transformational and transactional leadership: a meta-analytic review of the MLQ literature. *Leadership Quarterly*, Vol. 7 No. 3, pp. 385-425.
 23. Luthans, F. (2005). *Organizational Behaviour*.
 24. Madsen, S.R., Miller, D., John, C.R. (2005). Readiness for organizational change: do organizational commitment and social relationships in the workplace make a difference?
 25. Motihar, M. D., & Jaiswal, P. (2002). *Principles of Management*. Kalyani Publishers, New Delhi-110-002.
 26. Podsakoff, Philip M., Scott B. MacKenzie, Julie B. Paine, and Daniel G. Bachrach. 2000. Organizational Citizenship Behaviors: A Critical Review of the Literature and Suggestions for Future Research. *Journal of Management* 26(3): 513-63.
 27. Ramlall, S. (2004). A review of employee motivation theories and their implications for employee retention within organizations. *The Journal of American Academy of Business*, Cambridge, 5 (1/2), 52-63.
 28. Robbins, P. S., & Coulter, M. (2002). *Management*. Upper Saddle River, New Jersey. Pearson Education Inc.,
 29. Robbins, P.S., Judge, A.T., & Vohra, N. (2010). *Organizational Behaviour*.

30. Shamir, B., House, J.R., & Arthur, B.M. (1993). The motivational Effects of Charismatic Leadership: A self-concept based Theory. *Organization Science*, 4(4)
31. Shamir, Boas, Robert J. House, and Michael B. Arthur. 1993. The Motivational Effects of Charismatic Leadership: A Self-Concept Based Theory. *Organization Science* 4(4): 577–94.
32. Slocum, W.H., & Hellriegel, D. (1982). *Management*. Addison-Wesley Publishing Company, Inc, 3rd e
33. Sosik, J.J., Kahai, S.S. and Avolio, G.J. (1998). Transformational leadership and dimensions of creativity: motivating idea generation in computer-mediated groups. *Creativity Research Journal*, Vol. 11, pp. 111-21.
34. Tracey, J. Bruce, and Timothy R. Hinkin. 1998. Transformational Leadership or Effective Management Practices? *Group Organization Management* 23(3): 220–36.
35. Trottier, Tracey, Montgomery Van Wart, and XiaoHu Wang. 2008. Examining the Nature and Significance of Leadership in Government Organizations. *Public Administration Review* 68(2): 319–33.
36. Yukl, G. 1998. *Leadership in organizations*. Englewood, Cliffs, NJ: Prentice-Hall.
37. Zenger, J. H. & Folkman, J. (2002). *The Extraordinary Leader: Turning good managers in to great leaders*, The McGraw_Hill Companies Inc.