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CPJ GLOBAL REVIEW

CPJ GLOBAL REVIEW is an academic Journal that brings together all the academicians and corporate to provide an insight of management thinking, empirical research studies and management practices around the globe. This National Journal is devoted to disseminate findings from research work and exploration of original ideas concerning Business, Management and Technology.

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Editorial

CPJ Global Review a National Journal has completed six years of its publication and is entering into the seventh year with this issue. During these years, this Journal has strived hard to maintain high academic standards and also strict periodicity of annual production. It is dedicated to the dissemination of ideas and concepts of modern day Management and IT for stimulating academic fervor and knowledge encouraging applied and theme based research. The Journal has created a niche for itself as is evidenced by eagerness of reputed academician and industry professionals across the country to contribute the articles written by them for publication in this Journal.

We believe that learning is a never ending process and one continues to discover oneself in this journey. However, this process is not an isolated and individual venture. It requires an impetus and environment to thrive and flourish in. Keeping this aim in mind, the Journal seeks to facilitate this learning environment. It is a concerted effort to give academic researcher a platform to present their ideas in front of an erudite community.

This Journal is an acclaimed platform and inspires the young academicians and researchers and motivate them for disseminating their research papers, research articles, literature review, case studies and book reviews etc. Volume VII - Issue I, 2015 of CPJ Global Review covers a regular mix of articles and research papers from Management, Banking, IT, Indian Economy and burning topic of Corporate Governance. All the Papers open up new dimension of research in the identified area such as, Work Force Diversity Management, Microfinance Entrepreneurship, Work Life Balance, Security Market Reforms in India, Legal Challenges in Combating Corruption by unearthing Black Money and Banking Sector in India.

Finally, we extend our sincere thanks to all contributors/authors for sharing their valuable findings and ideas with us. Further, we wish to encourage more contribution from academicians and Industry practitioners to ensure a continued success of the Journal. We welcome contributors that can demonstrate near/term usefulness, particularly contributors that take a multidisciplinary/convergent approach. Authors, reviewers and guest editors are always welcome. We also welcome comments and suggestions that could improve the quality of the Journal. We hope that CPJ Global Review will serve the intended purpose and will be of immense use for researcher.

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Micro Finance Entrepreneurship: Learning for New Managers

* Dr. Chandan Karki

Abstract: *Micro finance has been a part of human development since long in the form of informal lenders and committee saving groups. But the importance of this mechanism only came to light after the breakthrough of Grameen Bank by Nobel Prize winner Professor Mohammad Yunus of Bangladesh. Soon this model of self help groups through social collateral was imitated in number of countries to help eradicate poverty and empower rural women. In fact the model has evolved itself as innovative idea of entrepreneurship. The Government of India has started many policy initiatives to eradicate poverty but it has failed to deliver the desired level. There always been the need of starting from the grass root level and micro finance has proved to be one of such measure to deliver multifaceted while working in an integrated system. The entrepreneur not been imparted with any formal education and training, but success stories has been witnessed. The present paper discusses evolution of micro finance industry, its development and policy initiative taken for its development. The micro credit to poor is not the end of problem but if handled effectively through capacity building programs it indeed can do miracles.*

Key Words: *Entrepreneurship, Microfinance, SHG, Grameen Bank, NABARD*

Introduction

Microfinance is a financial strategy, increasingly popular within the international development community. Robinson (2001) explains “Microfinance refers to small scale financial services for both credit and deposit-that are provided to people who farm or fish or herd; operate small or microenterprises where goods are produced, recycled, repaired or traded; provide services; work for wages or commissions; gain income from renting out small amount of land, vehicle, draft animals, or machinery and tools; and to other individuals and local groups in developing countries in both rural and urban areas”. Microfinance strives to alleviate poverty and strengthen the financial systems of developing countries by providing credit and other financial services to the low-income group of population. Microfinance services are the supply of loans, savings, and other basic financial services to the poor. Impoverished populations all over the world need a diverse range of financial service to run their businesses, build assets, stabilize consumption, and cope with emergency and risks. However, since the poor frequently lack collateral and steady income, formal banking is often not an option; even informal lending is not an efficient alternative due to the high interest rates

typically charged. In a nutshell, microfinance is defined as those financial services (savings, insurance, fund, credit etc.) provided to poor and low income customers which help them raise their income, thereby improving their standard of living. The goal of microfinance is to give low income people an opportunity to become self-sufficient by providing a means of saving money, borrowing money and insurance. There have taken different form like savings and credit cooperatives, NGOs, programmes established by international organisations, legally-recognized micro-finance institutions, and micro-finance banks, and their sizes greatly vary, from 100 clients to over 6 million clients for the largest. As well as offering basic financial services such as loan products, savings accounts, and insurance, many MFIs also provide non-financial services such as training and education, or specific programmes to combat local issues.

Rationality

Credit to Rural Poor: Usually rural sector depends on non-institutional agencies for their financial requirements. Micro financing has been successful in taking

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institutionalized credit to the doorstep of poor and have made them economically and socially sound.

Poverty Alleviation: Due to micro finance poor people get employment. It also helps them to improve their entrepreneurial skills and encourage them to exploit business opportunities. Employment increases income level which in turn reduces poverty.

Women Empowerment: Normally more than 50% of SHGs are formed by women. Now they have greater access to financial and economical resources. It is a step towards greater security for women. Thus microfinance empowers poor women economically and socially.

Economic Growth: Finance plays a key role in stimulating sustainable economic growth. Due to microfinance, production of goods and services increases which increases GDP and contributes to economic growth of the country.

Mobilization of Savings: Microfinance develops saving habits among people. Now poor people with meager income can also save and are bankable. The financial resources generated through savings and micro credit obtained from banks are utilized to provide loans and advances to its members.

Development of Skills: Micro financing has been a boon to potential rural entrepreneurs. SHGs encourage its members to set up business units jointly or individually. They receive training from supporting institutions and learn leadership qualities. Thus micro finance is indirectly responsible for development of skills.

Evolution of Grameen Bank

The Breakthrough...Grameen Bank!

Economist Muhammad Yunus of Bangladesh, also regarded as the father of modern microfinance, pioneered the microfinance industry in the late 1970s by establishing the first institution, the Grameen Bank. He was the recipient of Nobel peace prize in 2006 for giving a boost to this industry with the aim of poverty alleviation and self sustenance. In 1970s, in rural Bangladesh, midst a famine, professor Yunus was becoming disillusioned with the abstract theories of economics that failed to explain why so many poor people were starving in Bangladesh.

Determined to find a practical solution, Professor Yunus began visiting local villages. In one nearby village, Jorba, he found a group of 42 women who made bamboo stools. Because they lacked the funds to purchase the raw materials themselves, they were tied into a cycle of debt with local traders, who would lend them the money for the materials on the agreement that they would sell the stools at a price barely higher than the raw materials. Professor Yunus was shocked to find that the entire borrowing needs of the 42 women amounted to the equivalent of US\$27. He lent them the money from his own pocket at zero interest, enabling the women to sell their stools for a reasonable price and break out of the cycle of debt. He began loaning to groups of women, and his program soon proved that small loans could not only quickly improve lives but were paid back with interest and on time.

After studying the ineffective and unproductive economic model of poor craftswomen, he sought governmental assistance and decided to create an institution to help such women; the Grameen Bank. Currently, Grameen Bank serves over 8 million borrowers (typically rural women) and boasts a 97 percent repayment rate (Grameen Bank, 2010).

Micro Finance in India

Evolution

The evolution of micro finance industry in India can be traced into four phases:

Phase I: 1900s – 1969 Cooperative Movement

From early 20th century, credit cooperatives were vehicles to extend subsidized credit to villages under government sponsorship. This phase began with passing of Cooperative Societies Act 1904, to extend credit in Indian villages under government sponsorship.

Phase II: 1969 - 1991 State Driven through National Banks and emergence of NGOs

This phase lead to establishment of regional rural banks (RRBs) and adoption of priority sector lending by banks under direct specifications of the Reserve Bank of India (RBI). A decade later rural financial delivery got further boast in 1980-81 with the government sponsored integrated

rural development programme (IRDP), under which loans of less than ₹ 15,000 were given to poor. At the ground level IRDP led to large scale misuse of credit. Some civil society organizations successfully experimented with microfinance models that were more appropriate for the needs of poor households. Some prominent examples of this are SEWA Bank (Ahmedabad), Annapurna Mahila Mandal (Mumbai), and Working Women's Forum (Chennai). The first Self Help Groups (SHGs) started emerging in the country in 1980s as a result of NGO activities such as MYRADA. In 1984-85 MYRADA started linking SHGs to banks, when the SHGs' credit needs increased and the groups grew large enough for the bank to have transactions with.

Phase III: 1992 – 2000 SHGs bank Linkage program and Growth of NGO- MFIs

The pioneering initiatives of MYRADA, the SHG–Bank linkage program was scaled-up on a large scale by the NABARD in the year 1992 by giving guidelines to banks for financing self help groups (SHGs) through the banking system. With the success of this program RBI in 1996 took the policy decision to include financing to SHGs as a mainstream activity of banks under their priority sector lending.

Phase IV: 2000 – Today Commercialization of Microfinance

NGO-MFIs increasingly began transforming themselves into more regulated legal entities such as Non Banking Finance Companies (NBFCs) to attract commercial investment. MFIs set up after 2000 saw themselves less in the developmental mould and more as businesses in the financial services space, catering to an untapped market segment while creating value for their shareholders. This overriding shift brought about changes in institutions' legal forms, capital structures, sources of funds, growth strategies and strategic alliances. With increasing outreach and focus on profit, increasingly MFIs emerged as strategic partners to banks, consumers finance, retailers interested in reaching out to India's low income client segments. Indian microfinance today is a dynamic space with multitude of players offering various products and services to low income clients with different approaches. Banking system along with other legal forms such as NBFCs, section 25 companies, cooperatives and NGO-

MFIs all are approaching rural markets.

The microfinance service providers in India include apex institutions like National Bank for Agriculture and Rural Development (NABARD), Small Industries Development Bank of India (SIDBI) and Rashtriya Mahila Kosh (RMK). At the lower level commercial banks, regional rural banks and cooperatives are operating. There are also some NGOs which lend credit to self help group (SHGs). The NGOs that support the SHGs include MYRADA in Bangalore, Self Help Women's Association (SEWA) in Ahmedabad, PRADAN in Tamilnadu and Bihar, ADITHI in Patna, SPARC in Mumbai. The NGOs that are directly providing credit to the borrowers include SHARE in Hyderabad, ASA in Trichy, RDO LOYALAM Bank in Manipur. The Indian microfinance sector witnessed tremendous growth over the last five to seven years, during which institutions were subject to little regulation. Some microfinance institution registered success story in southern states like Kerala and Tamilnadu. Some microfinance institutions were subject to prudential requirements; however no regulation addressed lending practices, pricing, or operations. The combination of minimal regulation and rapid sector growth led to an environment where customers were increasingly dissatisfied with microfinance services, culminating in the Andhra Pradesh crisis in the fall of 2010. It further aggravated the problem with fall of Saradha chit fund in West Bengal in April 2013, causing an estimated loss of INR 200–300 billion to over 1.7 million depositors.

Policy Initiatives in India

Policy Initiatives by the Reserve Bank

In January 1993, SHGs, registered or unregistered were allowed by the Reserve Bank to open savings bank account with banks. Further, to study the potential of the micro finance movement, the Reserve Bank constituted in 1994 a 'Working Group on NGOs and SHGs' (Chairman: Shri S.K. Kalia). Based on its recommendations, banks were advised, *inter alia*, that financing of SHGs should be included by them as part of their lending to the weaker sections and that SHG lending should be reviewed at the State level banker's committee (SLBC) level and by the banks at regular intervals. Recognizing the growing importance of micro finance, the Reserve Bank constituted a micro credit special cell in the Bank in 1999 to suggest measures for mainstreaming micro credit and accelerating

flow of credit to MFIs. The special cell has since been converted into a micro finance and financial inclusion division in the Reserve Bank.

Based on the reports of the special cell constituted in the Reserve Bank and the Task Force on Supportive Policy and Regulatory Framework, the Reserve Bank issued comprehensive guidelines to banks in February 2000 for mainstreaming micro credit and enhancing the outreach of micro credit providers. In October 2002, the Reserve Bank set up four informal groups to look into issues relating to: (i) structure and sustainability; (ii) funding; (iii) regulations; and (iv) capacity building of micro finance institutions. Taking into consideration the recommendations of the groups, banks were advised that they should provide adequate incentives to their branches for financing the SHGs and that the group dynamics of working of the SHGs should be left to them. Reserve Bank in April 2005 enabled NGOs engaged in micro finance activities to access the external commercial borrowings (ECBs) up to US\$ 5 million during a financial year for permitted end use, under the automatic route.

In May 2006, a joint fact-finding study was conducted by Reserve Bank and a few major banks. It was observed during the study that some of the MFIs financed by banks or acting as their intermediaries/partners were focusing on relatively better banked areas and trying to reach out to the same set of poor, resulting in multiple lending and overburdening of rural households. Further, many MFIs supported by banks were not engaging themselves in capacity building and empowerment of the groups to the desired extent and banks did not appear to be engaging them with regard to their systems, practices and lending policies with a view to ensuring better transparency and adherence to best practices. Guidelines were, therefore, issued to banks in November 2006, advising them to take appropriate corrective action. In April 2008, banks were advised by the Reserve Bank to meet the entire credit requirements of SHG members, as envisaged in the Union Budget 2008-2009.

Recent Initiatives by NABARD

NABARD has been organizing/sponsoring training programs and exposure visits for the benefit of bank officials, NGOs, SHGs and Government agencies to enhance their effectiveness in the field of micro finance.

NABARD also provides support for capacity building, exposure and awareness building of the SHGs and NGOs. NABARD launched the 'Micro- Enterprise Development Programs' (MEDP) for skill development in March 2006. During the year 2007-08, 394 MEDPs were conducted covering 9,182 SHG members on activities like bee-keeping, mushroom cultivation, horticulture and floriculture, vermi-compost/ organic manure preparation and dairy. In 2005-06, a pilot project for 'promotion of micro-enterprises' was launched among members of matured SHGs. This is being implemented by 14 NGOs acting as 'micro-enterprise promotion agency' (MEPA) in nine districts, viz., Ajmer (Rajasthan), Chandrapur (Maharashtra), Kangra (Himachal Pradesh), Madurai (Tamil Nadu), Mysore (Karnataka), Panchmahal (Gujarat), 24 north Pargana (West Bengal), Puri (Orissa) and Rae Bareilly (Uttar Pradesh). The project is being implemented by each NGO in two blocks in each of the selected district. As on March 31, 2008, 2,759 micro-enterprises were established under the project involving bank credit of ₹238 lakh. NABARD also provides marketing support to the SHGs for exhibiting their products. During the year 2007-08, NABARD supported three exhibitions of products prepared by various SHGs at Bhopal, Chennai and Navi Mumbai involving grant of ₹ 3.8 lakh.

SHG-Post office Linkage Programme

A pilot SHG-post office linkage programme was launched by NABARD in December 2003. This programme envisaged credit linking 200 SHGs in select 5 districts, viz., Sivaganga, Pudukottai, Tiruvannamalai, Tanjavur and Tiruvarur districts of Tamil Nadu. As at end-March 2008, an aggregate of 1,963 branch post offices/sub post offices in the identified districts are implementing the project. A total of ₹100 lakh has been sanctioned as Revolving Fund Assistance (RFA) to the post offices by NABARD. So far 1,142 postal staff has been given training and ₹ 49 lakh has been released as loans to SHGs as of March 2008.

Present Status of Micro-Finance in India

As of now self help groups (SHGs) are most popular in India. The SHGs models took the following form:

- 1) SHG-Bank Linkage Model: under this model SHG are directly financed by banks.

- 2) MFI-Bank Linkage Model: The banks finance micro finance institutions who are in turn finance SHG and other small borrowers.
- 3) NGO-Bank Linkage Model: The NGO take initiative to link the bank and SHG for financing and borrowing needs of SHG.

The Table 1 and Table 2 provide data for SHG-Bank Linkage and MFI-Bank Linkage Model respectively in India. Microfinance sector has traversed a long journey from micro savings to micro credit and then to microenterprises and now entered the field of micro insurance, micro pension, training and education. If we

observe under first SHG-Bank linkage model, during the financial 2012-13, 12.2 lakhs SHG had access to bank credit and ₹ 20585 crore was disbursed as loan to these SHG. The amount standing to their credit with banks amounted to ₹ 8217 crore for 73.18 lakhs SHG that computes to Rs 11229 savings per SHG against credit of ₹ 88464. Under second model MFI-Bank linkage model 426 lakhs MFI were given ₹ 7839 crores of loan amount. Although the number of MFIs financed are decreasing year to year but the amount of loan section is increasing year to year as evident in Table 2. In this manner one cannot deny the role of MFI in the progress of micro credit.

Table 1. Overall Progress Under SHG Linkage (₹ Crore)

Particulars		2010-11		2011-12		2012-13	
No. of SHG (Lakhs)		Amount	No. of SHG (Lakhs)	Amount	No. of SHG (Lakhs)	Amount	No. of SHG (Lakhs)
SHG Saving with Banks as on 31 March	Total SHGs	74.62 (7.3%)	7016.30 (13.2%)	79.6 (6.7%)	6551.41 (-6.7%)	73.18 (-8.1%)	8217.25 (25.4%)
	Of which SGSY Groups	20.23 (19.4%)	1817.12	21.23 (5%)	1395.25 (-23.2%)	20.47 (-3.6%)	1821.65 (30.6%)
	% of SGSY Groups to Total	27.1	25.9	26.7	21.3	28	22.2
	All Women SHGs	60.98 (14.8%)	5298.65 (17.8%)	62.99 (3.3%)	5104.33 (-3.7%)	59.38 (-5.7%)	6514.86 (27.6%)
	% of Women Groups to Total	81.7	75.5	79.1	77.9	81.1	79.3
Loans Disbursed to SHGs during the year	Total SHGs	11.96 (-24.6%)	14547.73 (0.01%)	11.48 (-4%)	16534.77 (13.7%)	12.2 (6.3%)	20585.36 (24.5%)
	Of which SGSY Groups	2.41 (-9.9%)	2480.37 (12.8%)	2.1 (-12.9%)	2643.56 (6.6%)	1.81 (-13.8%)	2207.47 (-16.5%)
	% of SGSY Groups to Total	20.1	17	18.3	16	14.8	10.7
	All Women SHGs	10.17 (-21.4%)	12622.33 (1.6%)	9.23 (-9.2%)	14132.02 (12%)	10.37 (12.4%)	17854.31 (26.3%)
	% of Women Groups to Total	85	86.8	80.4	85.5	85.1	86.7

Loan Outstanding against SHGs as on 31 March	Total SHGs	47.87 (-1.3%)	31221.17 (11.4%)	43.54 (-9%)	36340 (16.4%)	44.51 (2.2%)	39375.3 (8.4%)
	Of which SGSY Groups	12.86 (3.4%)	7829.39 (25.2%)	12.16 (-5.4%)	8054.83 (2.9%)	11.93 (-1.9%)	8597.09 (6.7%)
	% of SGSY Groups to Total	26.9	25.1	27.9	22.2	26.8	21.8
	All Women SHGs	39.84 (2.2 %)	26123.75 (13.4%)	36.49 (-8.4%)	30465.28 (16.6%)	37.57 (2.9%)	32840.04 (7.8%)
	% of Women Groups to Total	83.2	83.7	83.8	83.8	84.4	83.3
Figures in the Paranthesis indicates growth/decline over the previous year							

Source: Status of Micro Finance in India, 2012-13,
NABARD

Table 2. Progress Under MFI-Bank Linkage Programme (₹ Crore)								
Particulars	2009-10		2010-11		2011-12		2012-13	
	No. of MFIs (Lakhs)	Amount	No. of MFIs	Amount	No. of MFIs	Amount	No. of MFIs	Amount
Loan Disbursed by Banks to MFIs	779 (34%)	10728.50 (187.4%)	471 (-39.5%)	8448.96 (-21.3%)	465 (-1.3%)	5205.29 (-38.39%)	426 (-8.4%)	7839.51 (50.6%)
Loans Outstanding against MFIs as on 31 March	1659 (-13.4%)	13955.75 (178.6%)	2315 (39.5%)	13730.62 (-2.0%)	1960 (-15.3%)	11450.35 (-16.6%)	2042 (4.2%)	14425.84 (26.0%)
Fresh Loans as % age to Loans Outstanding		76.9		61.5		45.5		54.3
Figures in the Paranthesis indicates growth/decline over the previous year								

Source: Status of Micro Finance in India, 2012-13,
NABARD (Number of MFI are in Lakhs)

Conclusion and Recommendation

The World Bank survey in 736 SHGs in the state of Andhra Pradesh and Uttar Pradesh revealed that although there is some increase in income and assets of clients but highlighted the deficiency of capacity building measures in the efforts of micro finance system in India. It is observed that the major occupation of member is agriculture, farm labor, poultry and other activities related to agriculture. The member of SHG lacks specific handicraft skills and do not receive any skill development training for undertaking any other non- farm activities resulting in

their overdependence on agricultural produce.

Microfinance been considered as one of the pillars for eradicating poverty effectively along with democracy, education and infrastructures as specific regulations of the banking sector, makes it not accessible for everybody. When this industry will be considered as a national issue and not as 'an aid for poor', then the progress of the microfinance will be enhanced by multiple times. It has been seen in many cases that borrowing from SHG has been consumed in non productive consumption and non productive assets. It has become imperative to provide skills development training program like handicraft, weaving, vegetable farming, carpentry, goat rearing, masonry, poultry, bees farming, and other non agricultural training which can

result in productive assets and enhancement of income of lower income groups.

MFIs, as has been seen in the countries, now tend to offer diversified products and services. The reason for the diversification of these products is dual. The target audience of MFIs i.e. people who cannot access regular banks, along with the need for loans, are also in need of other financial services like deposits, insurance, thrift, remittance etc. India is much lagging behind in offering these services, majorly due to non inclusion in the regulations of MFIs. The pending bill of Microfinance 2012 has although made provisions for deposits but not without uncertainties. MFIs are permitted to take deposits, but the customers cannot be sure of their safety because of no provisions for the MFIs defaults.

MFIs shall also inculcate the usage of technology to design their products' effective usage and extended reach. MFIs abroad are successfully using ATMs, remittance mechanism, mobile MFIs etc. Mobile MF branches are of the form of Van or Bus with all the facilities of regular branch. MF industry in India though quite regulated now is still considered 'informal'. There is a need for discipline and full regulation of all the aspects of this industry for its effectiveness. Also, there is a need to shift the industry's dependence from charity, aid based funding to a more formal mechanism in the form of other sources like deposits from the target audience to back the loans, foreign funding, equity and debenture based funding etc. This will help these organizations to attain a more independent and commercial outlook.

Microfinance has been criticized at times for default in payments by some borrowers. This majorly happens when they spend the loan amount in expenses other than those which will help in their future income generation sources like wedding expenses etc. Even in some cases borrowers have committed suicide for fear of non-payment of their dues. Hence, a mechanism shall be developed to enlighten the borrowers to first develop an income source with the use of borrowed amount. Entrepreneurship shall be given importance. Organizations can also extend skill building workshops to help their customers. Moreover a maximum limit on the margin MFIs can make should be set.

The Microfinance Bill which is pending in the parliament also needs certain revisions in terms of clarity in state and

central jurisdiction and RBI and NABARD, flexibility in the regulation of margin and interest caps, and encouragement of multiple sources of funds. The regular banks have been the major source for MFIs for funding but even they might stop lending as happened during Andhra Pradesh Crisis. Also, majority institutions in the industry are non NBFCs, this makes majority of the industry without any regulation. At the end, the industry stakeholders shall maintain their focus on poverty elimination with greater role in the financial development of the poorer section of the society for inclusive growth as it has also to be seen in the light of financial sector reforms in India.

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Workforce Diversity Management: Essence of Modern Organisations

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Abstract: *In the present competitive and global organisations, the concept of workforce diversity is not limited to just anti-discrimination policies, but in fact, it is considered as one of the valuable assets when it comes to the corporate performance. The nature of work is changing in so many ways that there is a continuous need for innovation and creativity in the workplace. Workplaces have always had multiple generations working side by side. There's the fresh-faced younger generation of newcomers, the established middle generation that holds most of the management roles and the older generation of senior executives who are 30 or 40 years into their careers. When diversity is aligned with the organisational goals, it brings economic benefits. Among the eight new assumptions (Peter F. Drucker in his new book, "Management Challenges for 21st century"), workforce diversity is placed at the third position in terms of importance. Management being a social discipline deals with the behavior of PEOPLE and HUMAN INSIGHT. Hence, workforce diversity is the biggest challenge and at the sometimes the biggest opportunity for the 21st century managers.*

Key Words: Diversity, Workforce Diversity, Strategic Advantage, Organisation Capabilities

Introduction

"Work, workers and workplaces are not what they used to be or where they used to be", says Peter F. Drucker in his new book, "**Management Challenges for 21st century**" which provides insightful and timely information for individual and organizations alike as they work towards common goals in the next one hundred years. An organisation with a diverse workforce is the one that acknowledges, understands, accepts, values and celebrates the differences among people who have different classes, religions, races, genders, sexual orientations, public assistances statuses, spiritual practices and mental abilities. To ensure the existence of workforce diversity, many organisations devote an ample amount of training and time. Nowadays, workplaces are more diverse than they used to be in the past. The workforces have made huge steps towards equality; however, they are still quite far from achieving the goal of total equality.

An organisation needs to value diversity in its workplaces to achieve goals like education, awareness and positive recognition to diversity among employees. As a competitive advantage, organisations are progressive towards emphasising on teamwork or group work in a diverse workforce. In such organisations, it is suggested

that the recruiting team must focus its work on getting applicants who are both diverse and agree to work in teams.

The interest in diversity in workforce came up many years ago, when it became evident that the demographic workforce makeup was going to experience huge changes. Diversity in workforce has brought drastic changes in the entire world. Now, organisations have realised the importance of implementing practices and policies to make their workforces diversified, as it increases competitiveness, expands organisation capabilities and builds talent. In addition, the attitude towards diversity changed as the racial diversity increased. Moreover, the younger generation now appreciates this concept of workforce diversity, as they sense that there are more learning opportunities by working with people from various backgrounds.

Workforce diversity is also becoming a topic of discussion in other areas like corporate, legal and politics. In history, effective diversity management has been used to get a defensive position in terms of legal issues. This means that an organisation that follows a diverse workforce culture can

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argue that it has not been at fault about discrimination, as any case about its workforce demographics was apparently representing the local community demographics.

Some researches and surveys done by business leaders show that the interest in managing a diverse workforce is widespread. For instance, in one survey of 645 forms, two-third of the respondents believed that diversity is important and they were concerned about it, while only one-third of them believed that it had an impact on their corporate strategies. Now, the question is why these organisations are so concerned? The two main reason that came up were that managers were not aware of how to encourage their diverse people and how to handle communication with employees who are from different cultural backgrounds and therefore from different values, languages and assumptions.

The Importance of Diverse Work force

A diverse workforce is significant in an organisation as it allows it to have a wide range of skills, ideas, resources and energy, and hence a competitive edge. Organisations that follow diversity in their workplaces have the following benefits:

- They can get resources from a wide pool of talent.
- They can improve their productivity and increase their profile statuses in their fields.
- They can broaden their markets.

Promoting “equality of opportunity” (that is accomplished by nurturing a culture in which every employee gets the chance to reach his/her full potential) and “diversity management” (that is accomplished by encouraging a diverse workforce actively) can bring a number of advantages to an organisation such as it:

- Helps in understanding the customer behaviour and market segments
- Provides a balanced workforce
- Improves opportunities for employees through internal promotion
- Allows to use the knowledge of different areas present in the community

- Allows to become an employer of choice
- Permits to give respect and value to employees that further attracts recruiting and provides retention
- Provides a wide talent pool
- Facilitates a vibrant, inclusive and nurturing working environment
- Provides employees a better appreciation and respect
- Allows to understand the needs of employees
- Encourages contrasting perspectives that improves the productivity within teams
- Improves standards of delivery

If employees have varying experiences and backgrounds, it attracts different perspectives in an organisation. As a result of this, when a topic or issue is discussed, one can expect multiple alternatives and approaches to solve it. If managed properly, the best perspectives and insights of each employee can be utilised to deliver better results and increase productivity. As per the Director of Strategic Human Capital Management at Sapura Kencana Petroleum Bhd, Claudia Cadena, how a team is structured dictates what its potential of success is. A team needs to have a mixture of capabilities to make sure that the important skills and components from areas like execution, planning, conflict resolution and communication exist. She further says that sometimes an organisation ignores the requirement of diversity when the pressure of having a limited pool of resources comes in. However, in such instances, if it will overlook the diversity needs, it will experience the consequences of having a workforce with the same perspective that will not be able to contribute different viewpoints or alternatives as they will have same exposure, experience and background. The consolidation of diverse people also calls for creativity, as there is a scope of different ideas that can be tested against each other and hence, new ones may take birth. The chances of personal growth also grow as employees get exposed to differences in various opinions, ideas and culture. This concept truly supports the statement by Aristotle “The more you know,

the more you know you don't know".

In addition, diversity presents the chance to gather specific strengths to benefit an organisation. Each person has different skills and strengths and therefore, these can be combined to achieve greater productivity and performance. For instance, if one employee has technical strengths, it can be combined with the management skills of the other, and the sales skills of yet another.

In a similar way, the cultural expertise of different people can be used for the advantage of an organisation. This is true especially for global organisations, as by including diversity in their workforces, they can optimise their abilities to address the specific needs of each market. Employees from specific demographics can be made to work with customers from similar backgrounds. This helps customers sense an affinity with the employees and organisation and feel more comfortable.

An organisation that follows workplace diversity and promotes an inclusive work environment becomes attractive to applicants as an employer. Especially the younger generation and open-minded applicants feel more attracted towards a workplace that is open to new styles and ideas. If an organisation makes it evident that it is focused on what people can bring to it new and is less concerned about their socio-economic background, it is likely to attract a wide range of applicants.

To support diversity, it is important to implement a diversity mind-set when making decisions. For example, when deciding for a new internal talent, make a group participate in the discussion and assess not only the talent that exists in your own area but look for talents across the entire organisation. In this context, Martin says, "This is because you're not only looking for talents for your own team, but for the organisation as a whole". In a similar way, for the recruitment process, expand the pool of talent being considered and announce or post vacancies both externally and internally. Make sure that the hiring managers consider all the likelihoods by arranging the interviews of diverse candidates. In addition, try to include different perspectives in the selection process. Instead of arranging the interview of a candidate with different managers at different times, schedule one interview session with a panel of diverse members. The major benefit of this is that the panel will be able to take an effective decision, as it

will listen to the same responses in the same context at the same time. It will be put forward its perspectives and hence better comparisons.

The benefits of a diverse workforce have become more relevant as organisations are becoming more dedicated to serve a global community than ever. Also, the geographical divisions of the world are becoming irrelevant. Nowadays, the question is not whether diversity is required, but what type of diversity is required in each organisation and how it will be best managed in a specific environment of an organisation. While implementing the answers of these questions, generally a mind-set change is required. This is because stereotypes and biases can create obstacles in analysing the full potential of diversity. To do so, organisations need to come out from their auto-pilot modes that do not question the underlying beliefs of people and instead adopt the manual mode. Taking your organisation to the next level can be a secret, so spend some time to analyse its diversity needs and the composition of diversity required.

HRM, Diversity and Organisation Performance

(Review of Literature)

As per a study by Porter in 1995, diversity programs and initiatives can create some severe challenges to the organisation's HR practitioners. To meet these challenges, it is required to get the following three elements:

- The commitment from the top management
- The HR knowledge on the breadth and skilled training of the organisation
- A common understanding that managing diversity is a lengthy and ongoing process and cannot be solved in isolation

As per a study by Zane in 2002, these elements are required to acquire the willingness of people to work in consolidation when they do not share experiences, culture, values and various ways to interpret the meaning and solve a problem.

A study by Bassett-Jones in 2005 explains the reason why it is difficult to implement workforce diversity in an

organisation. This is mainly because of the tendency of human beings that they prefer to work in homogeneous groups and with organisations that resist any kind of change. The focus of diversity on altering the way human beings behave and think requires and explains the role of HR people in diversity management. As per a study by Kreitz in 2008, for the successful implementation of diversity management, it is required for HR manages to have change management, leadership, measurement, organisational development, communication, assessment and psychology skills. HR generally seems to be a homogeneous and an indistinguishable category. This is the reason why researches are more focused towards the potential economic value, diversity business case and management that diversity can bring into an organisation instead of HR. Some people also argue that diversity should be excluded from the domain of HR as the ideas of abstract ideal employees, who have no bodies and hence no colour, age, gender and nationality, still exist in HRM. On the other hand, this ignorance does not prevent researchers from reconsidering HRM from the diversity perspective, which ultimately affects the performance outcomes of organisations.

In 1997, Paauwe and Richardson presented an HRM model that states that the activities of HRM result in the outcomes of HRM that affect the performance of the organisation. This also works vice versa as a causal relationship. In this mode, contingency and control variables such as size, age, technology and sector, may affect the activities, performance and outcomes of HRM.

In 1996, Kossek and Lobel suggested another model that states that the traditional models of HRM foster similarity and homogenisation in workforces, which impedes the ability of organisations to respond to significant changes in the environment. The model also suggests that strategic decisions on the objectives of diversity management should be taken before deciding, designing and implementing the HRM policies.

In 2001, Benschop integrated the models of Paauwe and Richardson and Kossek and Lobel and proposed a new model that says that diversity strategy is determined by several environmental factors and affects the activities of HRM. Therefore, it affects the outcomes and performance of HRM, whether for an individual, a group or the entire organisation. However, she also noticed that the HRM

literature has some debates around the impact of the activities of HRM on the performance of the organisation. Therefore, there is a discussion on the impact of diversity on performance.

Three Concrete steps to make Diversity actionable

Now the final question is how to implement diversity in an organisation. Listed below are the three specific steps that your organisation can undertake to implement diversity in innovative and productive ways.

Step 1: Eliminate corporate biases from the organisation, educate the people from the senior leadership and extend the maturity in the organisation.

Step 2: Create opportunities to connect so that collaboration can be facilitated.

Step 3: Redefine and explain the engagement rules.

These steps can empower your organisation to exploit the ideas and perspectives of the wide variety of employees, which ultimately results in the motivation to respond more quickly and create important business opportunities. Let us now discuss steps in detail.

Step 1: Eliminate corporate biases from the organisation, educate the people from the senior leadership and extend the maturity in the organisation.

The first to eliminate corporate biases from an organisation is to recognise its existence. If an organisation gets rid of these biases, this is the first step towards making its leadership stronger and more mature that values the contribution of each member of the organisation. As per the organisational philosophy, all employees of an organisation are competent to make choices that suit best to their work preferences, within the perspective of the goals and requirements of the business. The organisations that work in this manner have violated the outdated notion that only a manager can balance the needs of employees. Such organisations believe that individuals can make win-win choices for the business and themselves when they are trusted with the responsibilities of making such choices. Leaders who create inclusive behaviour understand that their own beliefs and ideas are influenced by their personal experiences. Since they are self-aware, they encourage

their employees to share their new ideas. Employees who work under such inclusive-minded managers are quite likely to express their own opinions and views freely, appreciate their teams' work and feel more confident about their opinions and views being heard and recognised.

Apart from removing negative elements, organisation can empower diversity by shifting from the approach of one-size-fits-all to the one that recognises every individual as unique. If you think it from the practical standpoint, accepting someone's opinions is as simple as counting numbers. You need to have a presence of mind to start a conversation about why someone has a specific opinion or has arrived to this specific conclusion, instead of dismissing it completely. Exchanges during such conversations send the message that no specific perspective of an individual is correct automatically and free leaders from listening to and evaluating the various viewpoints without being biased.

In the creation of a diverse and dynamic team, vigorous practice and training can play a significant role. For instance, in 2012, Dow Chemical realised that he was done with the traditional diversity arguments that were based on the business case-type thinking. To overcome this, he introduced the "unconscious-bias" training. The notion behind this was to make employees more aware about their unrecognised biases and as a result of this awareness, take various actions as compared to what they would have normally taken. A few other types of behaviours that leaders should model are:

- Sharing the credit of the success of team
- Allowing the team members to take decisions
- Providing equal time to each team member and encouraging the quieter ones to contribute more
- Making sure that every team member gets a supportive and constructive feedback
- Allowing the correct type of risk-taking

Step 2: Create opportunities to connect so that collaboration can be facilitated.

As the second step, you need to make sure that events are created that provide chances for people to meet and

collaborate. Such events can include, dinner, lunch and one-o-one sessions with group leaders, senior leaders or new product development managers. An excellent way to allow new employees enter the flow of the organisation is to ensure that they meet people not only inside their teams but also others in other departments with whom they will possibly work.

Step 3: Redefine and explain the engagement rules.

A workplace that has many diverse individuals must have certain ground rules for avoiding the misunderstandings and conflicts that may come up due to inevitable perception and behavioural differences. Organisations must consider these differences and create effective and clear group policies. To do so, organisations must acknowledge the existence of different views, ask employees to talk about their perspectives on how this should be done and then establish the agreed-upon ground rules in specific circumstances.

Strategy for Achieving Diversity

There are three strategies that can help to include diversity management in an organisation. These are as follows:

- Liberal Change
- Radical Change
- Transformational Change

Liberal Change

This strategy recognises the opportunity to be equal in practice in which all employees are allowed to be free and equal for competing for social awards. The objective of this liberal change model is to have an open-minded labour market from which the best employee can be chosen for a task or job that is only dependent on his/her performance. For supporting this model, a formal rules framework has been designed. Policymakers are made responsible to make sure that these rules are imposed on all employees to ensure that no one gets discriminated. This strategy is centred towards law, compliance and legal penalties for non-compliance. A disadvantage of this strategy is that the formal rules cannot cover each aspect of the work life because there is always an informal aspect

for working such as hidden transcripts, alternate informal communication channels and affinity groups.

Radical Change

In contrast, the radical change strategy intervenes into the workplace practices directly for achieving a right distribution of awards among employees and stable workforces. Therefore, the radical change strategy is more focused on outcomes and not on formal rules.

A key device of this strategy is quotas that are set by organisations or national institutions and target to standardise workforce diversity and equal opportunities. There are a few arguments against and for quote systems that comprise of contrasting ideas such as:

- Reimbursing for real obstacles that prevent marginalised employees from getting their deserved share of managerial positions
- Being against the opportunity to be equal for all employees and mean that a marginalised employee only fills the quota and gets the position

The quota system was first used by the Swedish parliament to ensure that women get a 'critical minority' of 30% or 40% among all parliament seats. Since that time, the representation of women has increased intensely in the parliament even above the defined quota. At present, 47% of the representatives in the parliament are women. This number is far more in comparison to the global average of 19%.

Transformational Change

This strategy addresses an equal opportunity agenda for both the long-term solutions and instant needs. To address instant needs, it applies new measures for reducing bias in processes such as promotion and recruitment. On the other hand, as a long-term solution, it is viewed as a transformation project in organisations. This strategy recognises that the power systems are there and encounters the hegemony by applying the standards of equality.

An example of the transformational change can be of the management that gets old. In such cases, younger employees

are viewed as more flexible and creative, whereas older employees are related with higher benefits, salaries and healthcare needs. As a result, organisations prefer to work with younger employees as compared to older employees. In such cases, by applying the transformational concept, an instant intervention gives the required help while a shift in the longer-term culture happens. Organisations can also set up legislation (such as Age Discrimination in Employment Act) to avoid age-based discrimination for the short-term needs. In addition, as a long-term solution, negative ideas among older employees need to be substituted with the positive one that they are required and can provide value to the organisation by their knowledge and experience. For balancing this idea with the advantage of flexibility and creativity that comes with younger employees, a blend of ages is the ideal solution.

At present, for managing workforce diversity, there is a vast array of organisational responses. Some organisations are responding to legal requirements, while a few others are concentrating on distinct policies and programs. However, there are some organisations that are implementing comprehensive strategies of HR diversity to nurture the change in their work and culture environments. If an organisation promotes workforce diversity, it draws many bottom-line advantages. But one needs to have a holistic view of the hiring process. In addition, retaining employees is a more difficult task than recruiting them. This is true especially for organisations that work in less-diverse locations where minority employees who have relocated may feel cut off. In such cases, you may require to take a more active role to help them adjusting with the work culture and new communities.

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Influence of Information and Communication Technology Competencies on Life Skills

* Dr. Deepti Dhawan

Abstract: Information and Communication Technology has permeated in every walk of life. The convergence of computer, communication and content technologies, being known as ICT, has attracted attention of academia, business, government and communities to use it for innovative profitable propositions. Government of India has announced 2010-2020 as the decade of innovation. Reasoning and critical thinking skills are necessary for innovation. Foundation of these skills is laid at school level. It is desirable that affordable ICT tools and techniques should be integrated into classroom instructions right from primary stage so as to enable students develop their requisite skills. 21st century is characterized with the emergence of knowledge based society wherein ICT plays a pivotal role. There is also a growing emphasis on availability and exposure to alternative sources of information other than books. The study investigated the influence of ICT Competencies on Life Skills of randomly selected 400 senior secondary students of CBSE schools situated in North Delhi. The results showed the significant difference at 0.05 level between the Life skills of different ICT groups of 11th class students. It is found that ICT Competencies has significant influence on Life Skills of 11th class students

Key Words: ICT, Exposure, Results, Education, Life Skills

Introduction

In the rapidly advancing world, full of challenges and changes, it becomes imperative beyond any doubt, that our younger generation gets technology-rich education. The National curriculum framework 2005 (NCF 2005) has also highlighted the importance of ICT in school education. With this backdrop, major paradigm shift is imperative in education characterized by imparting instructions, collaborative learning, and multidisciplinary problem-solving and promoting critical thinking skills.

The student has to deal with 21st century skills like ICT and Life skills. In this process of dealing with such competent skills, the role of education cannot be denied.

As these 21st century skills are inevitable to deal effectively with the demands of 21st century. It is already high time that the importance of life skills and ICT competencies is recognized and efforts be taken to enhance and develop these skills. As National curriculum framework (2000) recognized that importance of life skills and ICT and included that:

- Education has to be linked with Life Skills so that the gap between content and real life experience of students can be minimized.
- The present era gives prime importance to Information technology as it is one of the potent factors contributing the globalization and economic development

In the age of information and communication technology and technological advancement, It becomes essential that everyone's distinctiveness with respect to his/her likes, dislikes, attitudes, abilities, aptitude and interests be explored . If our education fails to satisfy and enhance these unique aspects of the individual, it results in a society of misfits. This need for understanding the individual becomes all the more important in a rapidly growing and developing society like ours.

Education in general and school education in particular should endeavor to inculcate the 21st century skills in

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the child. 21st century skill such as Life skills and ICT competencies are not given its due importance up to, now in the schools. The students find themselves in difficulty to cope up with different problems that occur in different phases of life and also tapping the resources of modern information and communication technology.

Information and Communication Technology

Information and communication technologies have been influencing education system world over, various international level programmes and policies have been launched to harness its use in the field of education. Importance of ICT in education has been recognized worldwide. Today ICT covers and controls various areas of society and human lives via, easy communication to any part of the world, rapid access to information, easy access to library, health information, medical guideline and treatment, information about vocations as well as on-line leisure time activities etc.

“The emergence and convergence of various ICTs such as radios, televisions, computers, the internet, telephones, cell phones, videos, multimedia, CD-ROMs, software and hardware provide unique opportunities for promoting primary and secondary education on a mass scale, in developing nations. There is a general consensus among practitioners and academics that in diverse socio-economic and cultural contexts ICTs can be successfully employed to reach out to a greater number of students and help in promoting learning knowledge and information along with exposing students to the technical skills required for many occupations.” (Dabla, 2010)

According to **Human Development Report, UNESCO (2006)** Internet users per 1000 person in 1990 were 0 which were in 2006 raised up to 32 per 1000 persons. These facts show the importance of ICT in the last decade. Today student is just a click away from the information.

Singh and Dahiya (2007) **Access to information is considered to be one of the most important benefits of the use of ICT in education.**

Life Skills - “Life skills are the adaptive and positive behavior that the individual needs to deal effectively with the demands and challenges of everyday life” (WHO, 1999). Adaptive means that a person is flexible in approach and is able to adjust in different circumstances. Positive behavior that a person is forward looking and even in

difficult situations, can find a ray of hope and opportunities to find solution. It includes psychological competencies and interpersonal skills that help people make informed decision making, problem solving and thinking positively. These further encompass thinking skills, social skills and negotiation skills and help the young people to develop and grow into well behaved adults to function effectively as social beings. It provides individual with strategies to make healthy choices that contribute to a meaningful life. Life skills are the abilities that facilitate the physical, mental and emotional well being of an individual and competencies in young people as they face the realities of life. It helps the young people to take positive actions to protect themselves and to promote health and meaningful social relationships.

According to **Directorate of Education, Delhi (2006)** “Life Skills put adolescents in a better position to translate the dreams and values in constructive actions”.

Operational Definitions

ICT Competencies - ICT is the technology required for information processing. It involves the use of computers, computer software and other devices to convert, store and process, transmit and retrieve information and includes the services and applications associated with them.

In the present investigation, ICT Competencies were referred to the competencies as expressed (in the areas such as Word Processor, Email, www, Multimedia, Desktop Publishing and General Purpose tools) in terms of the scores obtained by the 11th class students in ICT Competencies scale prepared by the investigator.

Life Skills - Life skills are individual's abilities for the adaptive behavior for the changing demands of life, which may help the students to take wise decisions, solve problems and think critically and knowing oneself.

In the present study the Life skills were measured in terms of the scores obtained by 11th class students in the Life skills scale developed by the investigator.

Dimensions of Life Skills - In the present study the dimensions of Life skills were referred to the skills as mentioned:

Decision Making skills - Decision making is a process of making an informed choice of a particular course of action

from among the identified options in order to achieve the objective.

Problem Solving - Problem solving skill is the skill to understand and deal effectively with problems in day to day living. An individual's adaptability is indicated in the ways he solves the problems in his life.

Critical Thinking - It is the ability to analyze the problem critically, intelligently considering the pros and cons of the situation. It helps the individual to analyze information and experience in an objective manner.

Self Awareness - It is the ability to analyze one own self-strength and weaknesses without being bias. This skill includes the awareness of oneself, including one's trait, feelings and behavior.

In the present study, these dimensions of life skills were analyzed in terms of scores obtained by the student (in the respective dimension) in the Life Skills scale administered by the investigator.

Objectives of the Study

To study the influence of ICT competencies on Life skills of 11th class students.

Hypotheses of the Study

There is no significant influence of ICT competencies on Life skills of 11th class students.

Need of the Study

Adolescence, the age of stress, storm and strife, tends to confuse the adolescents regarding their decisions in life. The decisions taken in this particular stage has an important bearing on the future life of the adolescents. As known that adolescents undergo many physical, mental, emotional and psychological changes which they find difficult to cope up with. They, at this time, should have the life skills to lead their personal and professional life effectively. They are required to think critically while solving any problem that encounters them. They need to take important decision while recognizing their own self their strengths and weaknesses.

The 21st century, primarily known as information age,

is now shaping up as 'Knowledge age'. It is era of new exciting discoveries and unexpected challenges. Everything is changing quickly; life has become both simple as we hoped like we live in better houses, have better medical facilities and travel in luxuries cars, buses, trains and super fast jet planes and more complicated than we could have imagined. Under this scenario of rapid change and development, educational systems need to inculcate among student life long learning that is, to constantly view information, to think critically, to take initiatives and cope with challenges from all over.

In today's information and knowledge-driven world, a whole new set of skills is required. A relevant education is more important than before, because today's networked world demands workforce that understands how to use technology as a tool to increase productivity and creativity. ICT which include radio and television, as well as newer digital technologies such as computers and the internet needs to be seen as potentially powerful enabling tools for educational change and reform. The foreign research evidence have shown that ICT improve the skills such as problem solving, critical thinking etc. What influence do they have on Indian students is needed to be explored.

Review of related literature

Awasthi and Kumari (2011) conducted a study on developing life skills for reproductive health among adolescent girls in order to help them gain positive and adaptive behaviors that could help them to make informed choices and manage the challenges of their lives. The data were collected from a sample of 150 adolescent girls of age group 13-15 years through structured questionnaire. The results of the study revealed that majority of girls had poor knowledge regarding reproductive system, teenage pregnancy, menstruation hygiene, STDs and HIV/Aids. After introducing intervention programme, there were significant differences in their knowledge regarding reproductive health. The life skills based health education helped adolescents learn to deal with the difficulties of daily life and deal with risk situations. It was through life skills that teenagers could fight the challenges and protect themselves from teenage pregnancy, STDs and Aids, sexual abuse and many other health related problems.

George and Narayan (2010) studied on topic "A Study on Life Skills Approach for the Education of Children with Special Needs". The study also explored the effectiveness of skill education in the lives of children with special needs

and how it would contribute to the inclusive education of those children. A sample of 50 samples was found through non probability convenient sampling method. The data was collected with the help of structured interview schedule. The study revealed that the reproducible worksheets helped children to develop the basic skills necessary to experience independence and success in everyday living. The children were able to acquire skills such as telling time, using calendars, classifying counting, recognition, money basic math, measurement, fractions beginning reading and writing. Early diagnosis of the disability and approach for special education proved to be important as it could help the children improve more effectively and be a part of inclusive education.

Swamy (2010) studied the Internet awareness and competence to use Internet among high school students and teacher. He also examined the difference between students involved and not involved in Mahiti Sindhu project in terms of awareness and competence. Stratified sampling technique was used to get the sample. 86 students were selected with due representation from each Taluka. The schools which were randomly selected for Mahiti Sindhu project were taken in the sample. 86 students from among the students who underwent Mahiti Sindhu project and 14 students, who did not undergo the project, were taken as the student sample. 40 teachers were also involved in the study, of who 20 were associated with the Mahiti Sindhu project and 20 were not. They constituted teachers sample. The findings revealed that Mahiti Sindhu project had significantly enhanced the awareness and competence to use Internet among high school students. No significant difference was found between high school Boys and Girls in terms of awareness and competence to use Internet.

Sharma (2010) studied the effect of ICT on academic achievement and Professional Interest of 401 B.Ed students selected randomly from JMI, GGSIPU, MDU. and CCSU. Statistical techniques such as 't' test, ANOVA and Scheffe test were used to analyze the data. The study revealed that there was positive correlation between the ICT Competency and professional interest of B.Ed pupil teachers. Negative correlation was found between the ICT competency and achievement of students.

Sarupriya (2009) studied the attitude of school students towards internet. Inter-group comparison was made on the sample of 600 students of 40 senior secondary schools of Udaipur. One parent of each of the selected children (N-40), computer teacher and head of the sample schools

were included as sub samples. The analysis of the data showed that half of the total sample had average attitude towards the internet and the rest had low attitude. Only 2% were under extremely high and extremely low attitude towards the internet. There was also found to be significant relationship between level of attitude of students towards internet and their socio economic status.

Research Design

The purpose of the study was to investigate the effect of ICT competencies and Life skills on Vocational preference of 11th class students. The Research design applied in this study was exploratory in nature using survey method. The research design using quantitative approach was adopted by the investigator to answer the research questions.

Sample of the Study

For the selection of schools, the investigator selected the North Delhi region. Eight private senior secondary schools with science stream were randomly selected from the list of CBSE. 50 students from each school that is 25 boys and 25 girls of 11th class from science stream were selected randomly. Thus, 400 science stream students of class 11th constituted the sample for the present study. In the present study, the term higher secondary students were used for senior secondary students.

Tools and Techniques Used

Various devices are used for collecting new unknown data for the study of any problem. For each and every type of research, investigator needs certain instruments to collect the new facts or to explore new fields. The instrument thus, employed as means are called as tools. In present study the tools employed were

ICT Competencies Scale: To assess the ICT Competencies of 11th class students, a three point ICT Competencies Scale was developed by the investigator. It was a self assessment scale covering six areas of ICT such as Word processor, Email, www, Multimedia, Desktop publishing and General purpose tools. The split half and test retest reliability of ICT scale was found to be .75 and .78 respectively. The validity coefficient was found to be .78. It contained 42 items. Each item was in the form of statement with three options for the respondent. The options were: I can do this very well by myself. I can do this with the help of someone, I don't know what

this means. As two marks were assigned to each correct response, so the maximum score for this test were 84.

Life Skills Scale - In order to assess the Life skills of 11th class students, a three point life skills scale, named as Life Skills Scale, covering four dimensions of life skills viz. Decision making, Problem solving, Self awareness, and Critical thinking, was developed by the investigator. The split half and test retest reliability of Life Skills Scale was found to be .69 and .74 respectively. The Validity coefficients of decision making, problem solving, self awareness and critical thinking skills were found to be .71, .74, .69, .75 respectively. This scale contained 32 items. Each item was in the form of statement with three options for the respondent. The options were: Always, Sometimes and Never. As three marks were assigned to each correct response, so the maximum score for this test were 96.

Statistical Techniques Used

Statistical analyses of the data were undertaken using the statistical software (SPSS) as per the procedures appropriate for the purpose of the study. The data collected was quantitatively analyzed through the statistical techniques of t test, Analysis of variance (one way and two ways) and Scheffe test.

Delimitations of the study

The delimitations of the present study are as below:

- The study was confined to the of 400 science stream students of Private schools affiliated to CBSE studying in 11th class of higher secondary level

- The study covered only eight schools of North Delhi region.
- ICT skills of the students were checked through paper pencil test covering only six areas of ICT such as word processor, Email, www, multimedia, desktop publishing, general purpose tools.
- Life skills of the students were evaluated only through paper pencil test covering only four dimensions of life skills such as decision making, problem solving, critical thinking and self awareness skill.

Result of the study

Influence of ICT Competencies on Life Skills of 11th Class Students.

In order to study the influence of ICT Competencies on Life skills of 11th class students, low and medium, low and high and high and medium ICT groups were compared in terms of Life skills.

As mentioned 11th class students have been divided into three groups on the basis of ICT Competencies viz. low ICT, medium ICT and high ICT competencies groups. The three groups were compared on influence of ICT competencies on Life skills. For determining the significance difference between the mean scores of ICT Competencies and life skills, One way ANOVA was applied. F ratio of different ICT Groups in terms of life skills is given in table 4.15:

Table 1. 'F Ratio of Low ICT, Medium ICT and High ICT in terms of Life Skills of 11th Class Students.

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	77335.10	2	38667.55	153.58	.000*
Within Groups	99955.61	397	251.78		
Total	177290.71	399			

Note - Table value = 3.02 at 0.05 level of significance

* **The mean difference is significant at the 0.05 level.**

Table 1 shows that F=153.58 which is above the table

value of F, i.e. 3.02 and p=.000 which is less than 0.05. It is evident that Life skills of low ICT, medium ICT and high ICT groups differ significantly. Therefore null hypothesis is rejected.

As it has been seen that three groups differ significantly at 5% level of significance on Life Skills scores, Therefore Scheffe multiple comparison tests have been used to see

which pair of the three groups differ significantly. The results of Scheffe test are given below in Table No. 2

Table 2 ‘Comparison of Different Pairs of ICT Groups in terms of Life Skills of 11th class students:

ICT Groups	N	Mean	SD	Mean Difference	Std Error	F value	Sig
Low ICT	102	35.29	17.64				
Medium ICT	196	50.12	18.14	-14.83	1.94	58.66	.000*
Low ICT	102	35.29	17.64	-38.45			
High ICT	102	73.75	6.53		2.22	299.45	.000*
Medium ICT	196	50.12	18.14	-23.62	1.94		
High ICT	102	73.75	6.530			148.7	.000*

Note - df- 1, 397, Table value = 3.80 at 0.05 level of significance

* The mean difference is significant at 0.05 level.

Interpretation

It is Evident from Scheffe multiple comparison test and table 2, that all the three pairs of ICT Groups are significantly differently in Life Skills. Therefore null hypothesis is rejected

- **Difference between Low ICT and Medium ICT groups in terms of Life skills:** The table shows that $p=.000$ which is less than the significance level of 0.05. It is revealed that the mean scores of life skills of low ICT and medium ICT differ significantly. It is inferred that 11th class students of medium ICT groups have better life skills than students of low ICT Group.
- **Difference between Low ICT and High ICT groups in terms of Life skills:** The table shows that $p=.000$ which is less than the significance level of 0.05. It is revealed that the mean scores of life skills of low ICT and high ICT differ significantly. It is inferred that 11th class students

of high ICT groups have better life skills than students of low ICT group.

- **Difference between Medium ICT and High ICT groups in terms of Life skills:** The table shows that $p=.000$ which is less than the significance level of 0.05. It is revealed that the mean scores of life skills of medium ICT and high ICT differ significantly. It is inferred that 11th class students of high ICT groups have better life skills than students of medium ICT group.

Findings of the study

- On the basis of analysis of data, the findings are as follows:

Objective- To Study the Influence of ICT Competencies on Life Skills of 11th Class Students:

It is found that:

- The mean scores of Life Skills of low ICT and medium ICT groups of 11th class students differed significantly at 0.05 level.
- The mean scores of Life Skills of low ICT and

high ICT groups of 11th class students differed significantly at 0.05 level.

- The mean scores of Life Skills of medium ICT and high ICT groups of 11th class students differed significantly at 0.05 level.

It was evident that Life skills of low ICT, medium ICT and high ICT groups of 11th class students differed significantly.

Significant difference was found at 0.05 level between the Life skills of different ICT groups of 11th class students. Hence null hypothesis is rejected

Thus it can be concluded that of ICT Competencies has significant influence on Life Skills of 11th class students.

Educational implications

The findings of the study have clearly shown that that ICT affects the life skills of the adolescents. Policies regarding the use of ICT in development of life skills may also be framed.

The ICT skills help them solve different problems; analyzing different options. ICT competency will help the students reach the unreachable knowledge and information. Teachers' skills with regard to ICT as a means to support powerful learning environment should be promoted them develop these skills. Teachers should be given training in ICT Skills through pre-service and in-service programmes so as to make them sensitized to and practice the use of ICT.

Life skills education aims to provide individuals with strategies to make healthy choices that contribute to a meaning full life. It can also promote competence and mental well being in individuals when faced with realities of the life, these are also helpful while making important decisions of life.

Suggestions for further study

On the basis of the present study 'A study of the influence of ICT Competencies on Life Skills in relation to vocational preference of 11th class students', the investigator realized that the further research work can be taken up which will bring qualitative changes in the educational process of

Delhi. The following suggestions can be made for further research:

1. The present study was confined only to schools situated in North Delhi region. The same study may be conducted covering larger area of Delhi.
2. The present study was conducted on the sample of only 400, 11th class students. The larger sample can be taken for study.
3. The present study covered only science stream students so studies may be conducted on students of other streams.
4. A similar study with different methods and techniques of data collection such as participant observation and unstructured interview schedule etc. could be conducted.
5. For ICT competencies, performance test may be also be used. Thus more comprehensive understanding of ICT Competencies regarding certain ICT skills and abilities that are observable and measurable in concrete situation
6. A comparative study of life skills, ICT competencies with reference to family background may be conducted.

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Securities Market Reforms in India - A Big Fish in Financial Sector Reforms

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Abstract: *In the financial system of any economy, flourishing securities market proves to be the backbone of the market. A well-developed securities market act as a provider of funding for economic activity at macro level and plays the specific crucial roles in an economy like providing the platform for channelizing funds for investment purposes, they also assist in asset pricing and serve as a barometer of the financial health of the economy. The securities market fosters economic growth to the extent it augments the quantities of real savings and capital formation from a given level of national income and it raises productivity of investment by improving allocation of investible funds. The extent depends on the quality of the securities market. In the post-liberalisation era, the Indian securities markets have witnesses far reaching reforms especially in terms of technological developments, market design, settlement practices and introduction of innovative instruments. The markets have achieved tremendous stability and as a result of which it has attracted massive investments by foreign players. Prior to the early 1990s that is pre-reform era, most of the financial markets in India faced price controlling, entry barriers for new entrants, transaction restrictions, huge transaction costs and illiquidity. A series of reforms were undertaken since the early 1990s in order to develop the various segments of financial markets by phasing out monitored pricing system, enacting institutional framework, eliminating barrier restrictions, introducing new innovative instruments, advancing technological infrastructure and evolving efficient, secured and more transparent financial market practices.*

Key Words: *Bank Privatisation, Bank Recapitalisation, Financial Sector Reform, Financial Inclusion, Financial Regulation, India; Interest Rates, Microfinance.*

Introduction

The sustainability of any growing economy is contingent upon the availability of adequate capital. A well-developed securities market is a place where the suppliers and users of capital come across to share one another's views and where a balance is sought among varied market participants. At macro level, it acts as provider of funding for economic activity as it plays the specific roles in an economy viz. diffusing stress on the banking sector by diversifying credit risk across the economy; providing funds for long-term investment needs of the corporate sector; providing products with flexibility to meet the specific needs of investors and borrowers; and for efficient capital allocation.

to low yielding enterprises and impels them to focus on performance. It uninterruptedly monitors performance through movements of security prices in the market and threats of takeover. These features improve the efficiency of resource utilization and thereby significantly increase returns on investment. As a result of which, savers and investors are not constrained by their individual abilities, rather they are enabled by the economy's capability to invest and save, which inevitably boost savings and investment in the economy. Thus the securities market converts a given stock of investable resources into a larger flow of goods and services and augments economic growth.

The securities market acts as a brake on channelling savings

In pre reform era, most of the Indian financial markets faced price controls, entry barriers, transaction restrictions,

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huge transaction costs and less liquidity. A string of reforms were undertaken since the early 1990s in order to develop the different segments of financial markets by weeding out administered pricing system, abolishing barrier restrictions, introducing new instruments, building institutional framework, upgrading technological infrastructure and emerging efficient, safer and more transparent market practices. The Indian securities market dates to the eighteenth century, when the securities of the East India Company were traded in Kolkata and Mumbai. However, the orderly rise of the capital market began with the setting up of the Bombay Stock Exchange in July 1875 and Ahmedabad Stock Exchange in 1894. Eventually, 22 other exchanges in different cities were set up. Further, the financial environment was undergoing unremitting transformation all over the world. Geographical boundaries have disappeared. The days of insulated and secluded financial markets are history. The fortune of any capital market largely depends upon its ability to align itself with the global order. In order to realize national aspirations and keep pace with the changing times, the securities market in India has undergone various stages of liberalization, bringing about fundamental and structural changes in the market's design and operation. The outcome of these changes includes broader investment choices and a drastic fall in transaction costs. Also efficiency, transparency, and safety have increased integration with the global markets. The opening up of the economy for trade and investment, the demolition of administered interest and exchange rates regimes, and setting up of sound regulatory institutions have aided these changes.

This paper essentially brings to the fore the transformation process that has occurred in the Indian securities markets along with an assessment of the impact of reform. Following this introduction, section II and III set out the developments in corporate equity and debt markets, respectively. Section IV discusses the developments in the government securities market. The paper concludes with a broad assessment of the developments in the securities markets and outlines the way forward for bringing the Indian securities market on par with international counterparts.

Corporate Securities – Equity Segment

The Ministry of Finance and the Securities and Exchange Board of India (SEBI) has led a strong reform effort in

1993-2001, aiming at a fundamental transformation of the equity market. The changes were quite dramatic (*Shah and Thomas, 2000; Green et al., 2010*). In 1990s, the policy environment governing the capital markets evolved rapidly to pave the way for a vibrant, liquid and transparent markets.

- A fresh governance model was set up for critical financial infrastructure such as exchanges, depositories and clearing corporations. It involved a three-way separation between shareholders, the management team and member financial firms. These three groups were held detached in order to avoid conflicts of interest. The shareholders were configured to have an interest in liquid markets rather than to maximise dividends.
- In order to enable corporates to raise capital from markets without any permission from regulators subject to sufficient disclosures in the offer documents, the Capital Issues (Control) Act (1947) was phased out in 1992. Book building mechanism for pricing of new capital issues was introduced in 1995, through which the offer price of an initial public offering (IPO) is based on the demand for the issue. In Indian context, the book building mechanism has proved to be both cost and time effective.
- To eliminate the counterparty credit risk, netting at the clearing corporation was initiated. This has supported a competitive environment where entry barriers are very low and there is a substantial turnover of firms.
- Electronic order books were introduced in place of Floor trading.
- Buyback of shares contributes towards improving liquidity in shares of companies and also help corporate in wealth maximization. SEBI (Buyback of Securities) Regulations in 1998 were issued by SEBI, through which a company is allowed to buy back its own shares from existing shareholders.
- For foreign securities firms, exchange membership was enabled to make it possible for

foreign investors to transact with their familiar securities firms.

- The market microstructure has emerged for the Indian capital markets to become 'free' and 'fair' during the 1990s. While the stiff disclosure norms have helped in improving the information flow to small investors, the stricter corporate governance practices laid for the listed companies have helped in curbing the insider trading and price rigging practices.
- Until recently majority of scrips on Indian securities markets were used to trade in physical form. Trading in materialized form of securities hampers the speed of transactions, thus adversely affecting the liquidity of the markets, boosting the trading costs and also raising the problems relating to bad deliveries, theft and forgery. Transformation in securities market was brought through compulsory dematerialised settlement at multiple competing depositories replacing physical share certificates.
- In order to keep a check on excess volatility in the stock markets, circuit breakers have been introduced on the stock exchanges. With effect from June 2, 2001, index based market-wide circuit breakers were levied on BSE Sensex and S&P CNX Nifty, which are operational on 10 per cent, 15 per cent and 20 per cent on either side movement of any of the indices.
- Exchange-traded derivatives trading emerged on individual stocks and indexes. The National Stock Exchange (NSE)-50 (Nifty) index became the underlying asset for one of the world's biggest index derivatives contracts, with onshore trading at NSE, offshore trading at SGX in Singapore and CME in Chicago, and an entirely offshore over the counter (OTC) market.
- The problems of asymmetric information were minimised through renovation in accounting standards and disclosure. In order to promote the safety and efficiency of the capital market, it's crucial to manage various risks like counter-party risks and credit risks. Settlement Guarantee

Funds (SGF) are set up at major stock exchanges in order to provide necessary funds and to ensure timely completion of settlement in cases of failure of member brokers to fulfill their settlement obligations. These funds are like self-insurance schemes in which members contribute to the fund. The SGF's have played a pivotal role in ensuring timely settlement especially during occasions of market turbulence. Furthermore, in order to cut down the counter-party risk involved in the settlement system, the clearing houses was set up by each of the stock exchanges. Various other risk management mechanisms like the capital adequacy requirements, trading and exposure limits, daily margins comprising of mark-to-market margins and VaR-based margins are introduced in place.

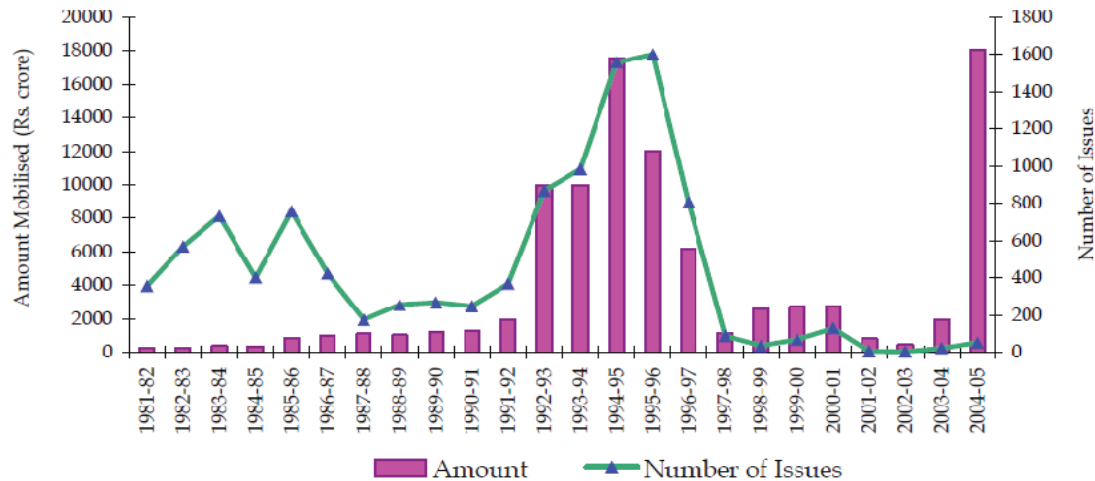
- A step was taken towards amending the eligibility rules for foreign institutional investors (FIIs) over time, so as to encourage both foreign capital and a greater variety of views on market conditions.
- Technology has also contributed towards faster movements of funds with the introduction of electronic fund transfer (EFT) facility accompanied with dematerialization of shares creating conducive environment to curtail the settlement cycles on stock markets. Shorter settlement cycles trim down both the risk involved in transactions and speculative activity, and infuse more liquidity in the markets. The rolling settlement cycle was reduced to T+3 w.e.f. April 2002 and further to T+2 w.e.f. April 2003 in line with the best international practices. Apart from trading, the technological developments have also imprint their mark in clearing and settlement process paving the way for efficient and sophisticated systems.
- With the technological advancements, the Indian stock markets have moved away from open outcry system to online screen based electronic trading system, in line with the best international practices. The online screen based electronic system has gradually improved efficiency in number of factors like price discovery mechanism, lowered transaction costs, promoted

transparency in transactions and also contributed towards better integration across stock exchanges throughout the country.

- In order to improve liquidity in the stock markets and eliminate arbitrage between domestic and international markets various instruments like American Depository Receipts (ADR)/Global Depository Receipts (GDR), Foreign Currency Convertible Bonds (FCCB) and External Commercial Borrowings (ECBs) were introduced so that Indian companies can raise funds freely from the international capital markets. The ADRs/GDRs have a two-way fungibility implying that investors (foreign institutional or domestic) in any company that has issued ADRs/GDRs can freely convert the ADRs/GDRs into underlying domestic shares and vice-versa.
- In post reform era, the Indian capital markets have deepened and widened with a larger investor base with the emergence of a wide range of innovative/hybrid instruments including derivative instruments like index futures, stock futures, index options, and stock options etc which have become important instruments of price discovery, portfolio diversification and risk hedging. A portfolio of risk containment measures including margins, positions and exposure limits are put in place to ensure smooth functioning of the derivatives market.

Since financial sector reforms in 1990s, the Indian equity market has developed tremendously. The Indian securities market has grown manifold in terms of many aspects including resource mobilization, number of listed stocks, market capitalization, trading volumes, and investors' base. Apart from this growth, many other aspects have transformed like the profiles of the investors, issuers and intermediaries. The Indian stock market has witnessed a fundamental institutional transformation resulting in

drastic reduction in transaction costs and noteworthy improvement in efficiency, transparency and safety. In the 1990s, reform measures which were initiated by the SEBI including market determined allocation of resources, rolling settlement, risk management and derivatives trading have greatly improved the framework and efficiency of trading and settlement. Almost all equity settlements take place at two depositories NSDL and CDSL. As a result of the reforms undertaken in the liberalization era, the Indian capital market has deepened and become qualitatively comparable to many developed markets. The corporates' decision to finance project cost either through the equity markets or through loans is majorly affected by the prevalent conditions in the primary and secondary markets. Traditionally a major portion of funds for financing a project were raised through financial intermediaries. But in post industrial liberalization period an increasing number of companies were tapping the primary capital market to mobilize resources in the early 1990s. In the second half of the 1990's, following the slowdown in industrial sector and subdued conditions in the stock market, the corporates again resumed to the loans route and the amount raised through new capital issues dropped down. In the more recent period, there has been a recovery of the primary market due to a revival in the stock markets as well as progression in investment climate and macroeconomic outlook (*Chart 1*).

Chart 1: Resource Mobilisation by Private Corporate Sector through Equity Issues

The pattern of financing of the Indian corporate sector has been changed. The share of capital market related instruments in the total funds, which marked up in the first half of 1990s, declined in the current decade so far. The ongoing trend might change with an upswing in the capital market. There been a greater reliance on internal sources. The share of financial intermediaries in total funds also declined. During the 1980s and 1990s, internal sources of funds as a percentage of total sources ranged around 30-40 per cent, while it has increased to more than 50 per cent during the recent years and even came near to 70 per cent in 2002-03. Thereby, there has been a reduction in the reliance on external financing. As a result of corporates' reliance on ploughing back of funds, there has been a noticeable decline in the debt-equity ratio (*Table 1*).

Table 1: Pattern of Sources of Funds for Indian Corporates

Item	1985-86 to 1989-90	1990-91 to 1994-95	1995-96 to 1999-2000	2000-01 to 2003-04
1. Internal Sources	31.9	29.9	37.1	61.4
2. External Sources of which:				
a) Equity capital	7.2	18.8	13	9.7

b) Borrowings of which:	37.9	32.7	35.9	10.4
(i) Debentures	11	7.1	5.6	-1.2
(ii) From Banks	13.6	8.2	12.3	19
(iii) From FIs	8.7	10.3	9	-1.4
c) Trade dues & other current liabilities	22.8	18.4	13.7	17.7
Total	100	100	100	100
Memoranda:				
(i) Share of Capital Market Related Instruments (Debentures and Equity Capital)	18.2	26	18.6	8.4
(ii) Share of Financial Intermediaries (Borrowings from Banks and FIs)	22.2	18.3	21.3	17.5
(iii) Debt-Equity Ratio	88.4	85.5	65.2	62.8

Note: Data pertain to non-government non-financial public limited companies.

Source: Articles on “Finances of Public Limited Companies”, RBI Bulletin (various issues).

The apparent feature of the reforms era in 1990s has been the steady growth of the private placement market. For corporates including public sector enterprises, state level undertakings and development financial institutions (DFIs), the private placement market emerged as the preferred source of financing.

The market capitalisation has similarly shown a steady

increase, which is used as a barometer of the size of the stock market and market value of investors' wealth. The market capitalisation as at end-March 2005 at BSE and NSE stood at ₹ 16,98,428 crore and ₹ 15,85,585 crore, respectively, touched all-time high levels primarily because of surge in stock prices and listing of new scrips (Chart2). At BSE, the market capitalization as per cent of GDP, which approximately accounts for 95 per cent of all-India market capitalization, escalate from 16.2 per cent in 1990-91 to 54.7 per cent in 2004-05.

Chart 2: Trends in Market Capitalisation



Assessment of Reforms and Future Challenges

The Indian capital markets made aggressive progress in the post-liberalization phase especially in terms of implementing international standard practices, widening and deepening of capital markets and most importantly the technological progress has been incredible. The economy has reacted very well to the liberalisation in the 1990s reform era and the saving rate has jumped up to the levels of the East Asian economies in their high-growth period. The challenge for the authorities is to now put in place a second wave of financial reforms that will ensure that savings are put to an optimal use. It should, however, be noted that there was other side of the coin as this period was also marked by greatest turmoil that the markets have ever witnessed. Systemic failures were avoided through timely and appropriate policy initiatives. In context of

Indian security market, some of the fundamental problems include existence of large number of illiquid stocks, lack of depth with handful companies accounting for the majority of trading volume, low delivery ratio and concentration of trading with a small number of brokerage houses. Although some of these problems are chronic and hard to solve for any regulatory authority, these problems underline the need to develop the capital markets further.

The avenues for raising long-term finance especially for the Indian corporate are undergoing some shift with the initiation of financial sector reforms. Although corporate now have multiplied access to international capital markets, the channelization of funds from the traditional source of long-term finance to the corporate sector, i.e., Development Financial Institutions (DFIs) have been decelerate. With some of these DFIs converting themselves

into universal banks, one can expect an uplift in the flow of medium to long-term finance from the banking sector to the corporate sector as these DFIs have expertise for evaluation, existing client base and monitoring of project finance. After the East Asian crisis, a unanimous view has emerged according to which a multi-agency approach for meeting the demand for long-term funds would be both effective and efficient. Under such an approach, the equity market, the debt market, banks and financial institutions should together fulfil the long-period financing needs of the corporate.

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Work-Life Balance: Demand of the Era

* Ms. Nisha Solanki

Abstract: *Work- life balance is a concept that supports the efforts of employees to split their time and energy between work and the other important aspects of their lives. Work- life balance is assisted by employers who institute policies, procedures, actions and expectations that enable employee to easily pursue more balanced lives. Peter Ellis, the Architect of Jaypee Sports City says , “the whole process of working in India is chaotic where every era of Indian History continues to live side by side with another Era.” Peter Ellis, the Architect of Jaypee Sports City says , “the whole process of working in India is chaotic where every era of Indian History continues to live side by side with another Era.” Career Growth and Work-Life balance has become two most important factors and also most opposing factors for today’s generation. For young generation, which want to live their life at their demands, career growth is the need for life. Our young generation gives more emphasis to “Life-Work Balance” not “Work-Life Balance” which is value for our generation X. The peoples having hectic time schedule at office and more working days at work usually ignore their family just because of lack of time. Those people feel dissatisfied about the time they can afford for family. Peoples faced so many stress problems just because of the fact that they skip their food, sleep and other personal needs because of lack of time. Peoples prefers the provisions like Flexi hours, work from home, etc as they can have more time for their family. It is more problematic for women to balance the work-life as they are having more responsibilities of children and others dependents of the family.*

Key Words: *Work- life, Chaotic, Career, Generation X, Flexi Hours.*

Introduction

Work- life balance is a concept that supports the efforts of employees to split their time and energy between work and the other important aspects of their lives. Work- life balance is assisted by employers who institute policies, procedures, actions and expectations that enable employee to easily pursue more balanced lives

The pursuit of work- life balance reduces the stress employees experience. When they spend more time in work related activities and feels ignorance for other life aspects, unhappiness and stress results.

Peter Ellis, the Architect of Jaypee Sports City says , “the whole process of working in India is chaotic where every era of Indian History continues to live side by side with another Era.”

Career Growth and Work-Life balance has become two most important factors and also most opposing factors for

today’s generation. For young generation, which want to live their life at their demands, career growth is the need for life. Our young generation gives more emphasis to “Life-Work Balance” not “Work-Life Balance” which is value for our generation X.

As both of the generations are working together in a team, they have to understand the values and principles of each other and respect them as well. Generation X constitutes one –third of the total workforce in India. Gen X is more serious for the loyalty, job security and hard work while the generation Y believes in career growth and fun at place. The younger people do not wants to see themselves staying at a single job, they want to explore new and new industries and companies to get latest experience which also provide opportunity to offer the check of suitability.

Being well educated, skilled in technology, self-confident, able to multi-task, they have high expectations for

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themselves, and prefer to work in teams, rather than as individuals. As per the report around 54% of youth will consider a job with less work time and 89% of youth look for flexible timing while opting for a job. Millennials seek “life-work” balance instead of “work-life” balance. The new generation believes in living their life to the fullest, pursuing their dreams and passions and focusing more on having a well-balanced life.

As per the report around 54% of youth will consider a job with less work time and 89% of youth look for flexible timing while opting for a job. According to the survey, the new generation has high ideals and a strong commitment to those ideals, values and beliefs. A 24x7 generation who wants to be at their optimal best, anytime, anywhere.

The study also found that the difficulty of balancing life and work is a key reason why women in India leave their jobs. While 24% of Indian men surveyed said they quit their jobs because of long or inflexible working hours, for women that figure was 48%.

Growing Importance of Work- Life Balance

At present day, peoples are running after the career and the money as the money has become the basic necessity. Parents are working 24x7 to fulfill the needs and growing demands of their children but while doing so they are losing time with each other and also the bonding with each other.

If a person does not have a time to relax and recharge, their ability to perform decreases and performance level also suffers. Those who do not take time away from their job often end up getting sick more often because they don't eat properly and don't give time to themselves.

Research Methodology

Objective:

- To correlate the working hours and time spend with children and to embrace out the feeling about it.
- Peoples with more options like flexi, work from home, etc are more intimate with family.
- Commitments for family and work are inversely proportional to each other.
- Peoples with more working hours are suffering from stress related problems.

Research Design:

The research design which is used is Descriptive Research.

Sample Design: working peoples

Sample Size: 100

Sampling Technique: Random Sampling Technique

Sources of Data: Primary and Secondary both

Questionnaire: Structured

Data Interpretation & Analysis

Working Hours and feeling about it:

	Very unhappy	Unhappy	Indifferent	Happy	Very Happy
4-5 hrs.	1%	2%	2%	4%	91%
5-6 hrs	Nil	Nil	1%	11%	88%
6-7 hrs	13%	23%	56%	4%	4%
7-8 hrs	76%	4%	13%	5%	2%
More than 8 hrs	78%	3%	16%	2%	1%

Time spend with children and partner and feeling about it:

	Very unhappy	Unhappy	Indifferent	Happy	Very Happy
Less than 2 hrs	74%	5%	14%	5%	2%
2-3 hrs	78%	3%	16%	2%	1%
3-4 hrs	14%	22%	58%	4%	2%
4-5 hrs	2%	3%	1%	9%	85%
More than 5 hrs	1%	2%	2%	4%	91%

Work life balance provisions in company and satisfaction level:

	Highly Dissatisfied	Dissatisfied	Indifferent	Satisfied	Highly Satisfied
With Provisions	1%	1%	7%	34%	57%
Without Provisions	6%	7%	66%	13%	8%

Family Involvement in Functions and satisfaction level

	Highly Dissatisfied	Dissatisfied	Indifferent	Satisfied	Highly Satisfied
With involvement	2%%	2%	9%	32%	55%
Without involvement	6%	7%	66%	13%	8%

Working days and frequency of stress problems:

Frequency	Rarely	Usually	Often
Working days			
4	72%	7%	21%
5	66%	3%	31%
6	16%	22%	62%
7	1%	11%	88%

Conclusion

The peoples having hectic time schedule at office and

more working days at work usually ignore their family just because of lack of time. Those people feels dissatisfied about the time they can afford for family. Peoples faced

so many stress problems just because of the fact that they skip their food, sleep and other personal needs because of lack of time. Peoples prefers the provisions like Flexi hours, work from home, etc as they can have more time for their family. It is more problematic for women to balance the work-life as they are having more responsibilities of children and others dependents of the family.

As a result, without creating a work-life balance a person is not able to take time to enjoy the life they have worked so hard to create. They are not available for friends and family members, and often take their stress out on the ones they love. They can also suffer from illness and physical disorders that stem from prolonged stress such as heart disease, alcoholism, and even diabetes.

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An Introduction To Current Trends, Benefits and Challenges of M-Learning

* Ms. Sonia Goswami ** Ms. Shipra Bhutani

Abstract: Use of Mobile technologies for educational purposes is on the rise. Worldwide, the sale of tablets will surpass the sale of laptops and desktops by the end of year 2015. The emergence of mobile technologies as a communication platform has been particularly dramatic for classroom teaching over last few years. Mobile technologies are an easy and attractive means to maintain literacy skills among youth. According to a recent research it has been found that use of mobile devices and applications can help the students develop reading skills, writing skills and math skill development. Mobile technologies can make learning more engaging and personalized. Information on smartphones and tablets can be easily accessed so these can act as a transformational technology for higher education. Mobile devices have great potential to become an effective digital learning tool for traditional classroom education and for distance education too. This research paper highlights the current trends and benefits of M-Learning. This paper provides an overview on why educators should use mobile technologies as a teaching pedagogy and explains how teachers and students can get huge benefits through these. The researchers have also made an attempt to find out the challenges of using mobile technologies in Indian higher educational setting. The researchers have given their suggestions for effective integration and incorporation of mobile technologies in Indian education system. The researchers strongly recommend universities, higher authorities, school and college managements, teachers and other higher education entities to adopt mobile technologies within their learning management system as distinct benefits can be derived from using mobile devices and applications in education and embracing e-learning approaches.

Key Words: Higher Education, M-learning, Mobile Technologies, Learning, Students, Knowledge, Sharing.

Introduction

Technology has changed the way we utilize and access the information. Technology and learning have become strongly linked and interdependent. Mobile technologies in particular have the power to become a catalyst of change and to redefine the educational approach in our country. Mobile devices and applications can be used in classrooms to enhance learner expectations and experiences. Mobile technologies include basic cellular phones and highly evolved tablet PC's with internet capability. The integration of mobile technologies into learning has been referred to as M-Learning. M-Learning refers to those educational services that provide general electronic information and educational content to a learner which can help them in acquisition of knowledge, regardless of time or location. Mobile learning can be defined as any learning that happens when the learner is not at a fixed,

predetermined location, or learning that happens when the learner takes advantage of the learning opportunities offered by mobile technologies" (MOBilearn, 2003). Numerous programmes have been launched in various countries to integrate technology into education. One such example is BridgeIT project in Tanzania. This project is an extension of larger text2teach program developed for the Philippines. Used currently in 150 schools in Tanzania, the concept provides digital video content in classrooms and on-demand instructional material via text messages (Trucano).

Nokia, a cell phone manufacturer, has contributed numerous offerings to M-Learning. Among the programs developed are Nokia Mobile Mathematics, Nokia Education Delivery, and Nokia Data Gathering.

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Additionally, they invented a Mobile Flashcard application to enhance literacy and language learning. Another mobile provider, France Telecom, developed an ongoing mobile learning project in conjunction with UNICEF, aimed at reducing global illiteracy. An analysis of six separate M-Learning projects in Asia found that mobile learning presents a tangible benefit in addressing infrastructure challenges in remote areas, and is also cost-effective. Further, the M-Learning modules provide customized, learner-centered learning that allows students to take greater responsibility and participation in the learning. UNESCO estimates that within the next 5 years, more people will be accessing the internet on mobile devices than through fixed desktop computers. The trend towards individual educational empowerment is being reinforced by Open Educational Resources (OER) that aims to make education free, public, and accessible using technology. As the cache of online information and knowledge uploaded to the internet increases, so too does the power of a mobile internet device in regards to education process. A prominent OER example is that of KhanAcademy. Developed by Sal Khan as a solution to tutoring his niece over the internet, the website has exploded in popularity and has received support and funding from Bill Gates. Khan's mission statement is to make world-class, college-level education available to anyone, anywhere, free of charge. The site consists of module-based learning videos, usually around 10 minutes in length, and teaches subjects in sequential concept form. KhanAcademy also provides individual learning paths and instant testing feedback, and can be linked to instructor accounts for use as a supplement in classrooms (KhanAcademy).

Wikipedia is another widely cited OER example, with the mission of making all information free and accessible. There are currently over 19 million articles written in 270 languages, making global access possible (Wikipedia.org). Even prestigious universities such as MIT and Carnegie Mellon have enacted content, offering Open Course Ware (OCW) that allows free and open access to university lectures and materials, enabling world-class learning in environments located nowhere near these institutions.

Mobile devices and technologies that can support M-Learning includes following:

- E-books

- Tablet computers
- UMPC, camera phones, Mobile phones and smart phones
- Personal digital assistant in the classrooms
- Personal audio/video player e.g. for listening and watching the audio/video recordings of lectures (Podcasting)
- Out start, Inc.
- Handheld audio and multimedia guides in museum and galleries

Significance of the study

This study highlights the current trends, benefits and challenges of using mobile technologies in the field of higher education in India. This research paper explores the advantages and disadvantages of mobile technologies in making the teaching and learning process more effective by integrating mobile technologies in the teaching pedagogies for providing formal and informal education. Suggestions have been given for effective integration of mobile technologies to make traditional classroom teaching more effective.

Objectives of the study

This research paper has following objectives:

- To evaluate and examine the current trends of M-Learning.
- To examine and investigate the challenges of integrating mobile technologies in the traditional classroom education in India.
- To highlight the benefits of M-Learning for teachers and students and giving suggestions for effective integration and incorporation of mobile technologies in higher education setting in India.

Higher Education in India

India's higher education system is the third largest in the

world, next to United States and China. Accreditation for higher learning is overseen by 12 autonomous institutions established by the University Grants Commission. Indian higher education system has expanded at a fast pace by adding nearly 20,000 colleges and more than 8 million students in a decade from 2001-02 to 2011-12. As of 2012, India has 42 central universities, 275 state universities, 130 deemed universities, 90 private universities, 5 institutions established and functioning under the State act, and 33 institutes of National importance. Other institutions include 33,000 colleges as Government Degree Colleges and Private Degree Colleges, including 1800 exclusive women's colleges, functioning under these universities and institutions as reported by the UGC in 2013.

Literature Review

The increasing processing power, improved accessibility and enhanced applications embedded in emerging mobile technologies has created a challenge for higher education institutions who want to provide students with high quality and sustainable technology-rich environments. Smart mobile technologies, such as tablet computers and smartphones, offer advanced computing abilities as well as access to internet-based resources without the constraints of time or place. The functionality of these devices is continuously enhanced through the inclusion of features from established technologies such as personal digital assistants (PDA), portable media players, GPS navigation, digital cameras and eBook readers (Alley & Gardiner, 2012). This has resulted in devices that enable the provision of ubiquitous learning environments that combine real-world and digital world resources. Mobile devices have become commonplace tools in a wide array of settings that may include teaching and learning alongside work and leisure, in both formal and informal settings. Stockwell (2008) predicted mobile learning in the next generation because of the prevalence of mobile devices among learners using technologies. Cook, Holley, and Andrew (2007) reported student attraction to cutting-edge technology, even if the device does not work perfectly for the intended task, because students felt instructors had attempted something novel. Because of the widespread ownership of mobile devices, mobile technology adoption may differ from other technologies. Most young generation teachers are skilled mobile users because of the prevalence of mobile devices. Therefore, the issue of teacher adoption of mobile technology in

teaching should not focus on teacher knowledge about technology, but on using mobile technology as a tool for teaching and learning. Various fields and pedagogies have proven the benefits of technology; however, teachers may or may not accept technology due to personal factors (Teo, Lee, & Chai, 2008). Luan, Fung, Nawawi, and Hong (2005) pointed out that the likelihood of teachers using technology effectively and successfully is highly related to their attitudes toward the technology. That is, no matter how sophisticated and powerful the technology is, the extent of its implementation depends on the positive attitude of teachers toward it (Huang & Liaw, 2005). Nichols (2008) argued that the success of technology facilitated learning depends on teacher acceptance. Perceived usefulness (PU) is defined as the degree to which a person believes using a particular technology will enhance his or her job performance (Davis, 1989; Teo et al., 2008). People tend to use an application that they believe will boost their job performance. Perceived ease of use (PEU) refers to the degree to which a person believes that using a particular technology will be effortless (Davis, 1989; Teo et al., 2008). These two variables are fundamental determinants of user acceptance and future use (Davis, 1989); therefore, they serve as factors in measuring attitude toward a technology in this study. Further understanding of possible instructor implementation of a teaching and learning device refers to teacher "propensity" to innovate. Nambisan, Agarwal, and Tanniru (1999) described instructor propensity to innovate in educational technology. The three antecedents include technology cognizance (TC), ability to explore (AE), and intention to explore a technology (IE). Among these three, technology cognizance offers the key to understand teacher intention for innovative adoption of a technology in a teaching context. Technology cognizance relates to user knowledge of technology capabilities, its features, potential use, and costs and benefits (Chou, 2005). That is, users with a propensity to innovate typically understand the technology, the tasks involved, and the environment within which the system will operate (Chou, 2005; Nambisan et al., 1999). Understanding the power of teachers to develop innovative technology-supported pedagogy requires examining teacher propensity to innovate.

Due to the fast-paced changes in mobile technologies, education institutions are cautious about investing resources to provide access to the latest devices. Education institutions are also often hampered by a conservative organisational culture and entrenched processes which

impact on their ability to provide wide-scale support for the use of innovative technologies (Maringai, Skourlas & Belsis, 2013). The development of environments that support students who wish to use their own devices, and suited to their needs and contexts, has been proposed as a means to overcome these challenges (Gosper, Malfroy & McKenzie, 2013). This would enable higher education institutions to focus resources on the provision of infrastructure to support ubiquitous access for mobile devices to university systems and infrastructure. Despite the apparent benefits of encouraging the use of mobile devices for learning purposes, few higher education institutions in India have implemented platform-independent systems to enable mobile access to university networks. Personal mobile devices such as iPods and mobile phones are now ubiquitous amongst student populations in university, but many university teachers are less than confident in their use. Even if a teacher is a competent and avid user of personal mobile devices, he or she may feel ill-prepared to use them with students in pedagogically innovative and appropriate ways. When these teachers seek to become informed of new technologies through conventional professional sources, such as journals, their efforts are often met with information that is simply too detailed or confusing for their current level of understanding. Technical words, descriptions and acronyms that currently abound in discussions on new technologies are likely to deter rather than facilitate teachers' self-directed learning in new technologies. Cox and Marshall (2007) listed five important reasons for knowing more about the impact of information and communication technologies (ICTs) on pedagogical practice and student learning, namely: (a) forming government policies; (b) directing teacher education programmes; (c) advancing national curricula; (d); designing or reforming classroom implementation and (e) analyzing costs and benefits. Few of these functions are addressed if the professional development of teachers focuses principally upon instruction on the utility of mobile devices and how to use them.

In an extensive literature review of mobile learning, Naismith, Lonsdale, Vavoula and Sharples (2004) proposed six broad theory-based categories of activity in the field: (1) Behaviorist theory - activities that promote learning as a change in observable actions (e.g., Wood, 2004, classroom response systems for providing feedback on multiple choice questions); (2) Constructivist theory - activities in which learners actively construct new ideas

or concepts based on previous and current knowledge (e.g., Chesterman, and, issues related to educational media explored through videos, documentaries, animations of educational concepts and news bulletins with mobile phones); (3) Situated learning - activities that promote learning within an authentic context and culture (e.g., Proctor & Burton, 2003, multimedia tools at the Tate Modern art gallery); (4) Collaborative learning - activities that promote learning through social interaction (e.g., Palm Inc., 2005, teacher trainers use of personal digital assistants [PDAs] to beam questions for a virtual treasure hunt to groups of teachers); (5) Informal and lifelong learning - activities that promote learning outside a dedicated learning environment and formal curriculum (e.g., Wood, Keen, Bassu, & Robertshaw, 2003, breast cancer care in the delivery of text images and audio visual materials to patients' PDAs during their course of treatment); (6) Learning and teaching support - activities that assist in the coordination of learners and resources for learning activities (e.g., Perry, 2003, managing teachers' workloads using PDAs to record attendance, marks and organize lesson plans). It is perhaps this last category that has seen the most interest and activity in terms of the use of mobile technologies in universities to date, that is, practical and administrative functions rather than pedagogical purposes. Similarly, in terms of student use of mobile technologies, the focus of the debate has been upon the problematic use of mobile phones in schools (e.g., Campbell, 2005) and the social and cultural shift in communication dynamics through the use of mobile devices (e.g., Ito, 2005). One favored application of M-Learning is foreign language training. One study examined the efficacy of using mobile phones to teach English, using vocabulary recall as a metric. Iranian English students in a control group were given mobile phones to see if this improved their retention of English vocabulary and grammar. The program utilized SMS to simulate flashcards and also to create interactive testing. Participants in the SMS group significantly outperformed those in the conventional control group. Further, the students demonstrated significant enthusiasm for learning in this manner. Instructors were receptive as well, noting the convenience of instant and digitized assessment. (Motallebzadeh). Kay (2007) proposed two effective strategies to help pre-service teachers adopt a technology in their teaching: collaboration and using authentic tasks. Egbert, Paulus, and Nakamichi (2002) referred to these strategies as peer collaboration in situated learning contexts. Teachers learn best in a collaborative

and authentic context by seeing methods used in actual classrooms, by trying out mobile techniques and receiving feedback on their efforts, and by observing and talking with fellow teachers (Egbert et al., 2002). Granger, Morbey, Lotherington, Owston, and Wideman (2002) suggested supportive and collaborative relationships among teachers and a commitment to pedagogically sound implementation of mobile technology as highly useful factors for successful ICT implementation. By interacting with the environment, the tool, and other people, pre-service teachers can actively adopt a mobile device based on their prior experiences and existing knowledge structures.

Benefits of M-learning:

Teachers can make teaching and learning process more effective by using mobile technologies as these act as a competitive, collaborative and cooperative learning tool. The benefits of mobile technology in education are following-

- Learning can take place anywhere, anytime. There are no geographical boundaries.
- Instant communication via e-mails and SMS is possible.
- Easy access to audio and video conferencing can take place.
- Students can learn on their own pace and flexible timings 24x7, without the need to travel.
- The communication between instructor and student is on one to one basis so there are fewer inhibitions.
- Mobile devices are very less expensive than desktops and laptops.
- There is an opportunity of multimedia content creation and delivery.
- Mobile technologies can bring innovation in Indian education system. Mobile devices must be treated as a source of value addition for our education system as they can be used as an e-learning tool so that the teaching and learning

process can continue outside the classrooms too.

- M-Learning will improve the instructional effectiveness and will surely enhance learning outcomes and student performance by improving student engagement and confidence level.
- M-Learning can also be beneficial for those students who are enrolled in distance learning programmes as they can get an access to expert opinions, educational content, assignments and lecture summaries through internet connectivity on mobile devices so the level of distance education can also improve by incorporating mobile technologies in teaching pedagogies.

The Importance of M-learning

Teachers who have incorporated Mobile learning in their teaching plans have given following statements in favor of Mobile learning.

- It is important to bring innovation through technology in the classrooms.
- Mobile devices are more lightweight than PC's and even books.
- Mobile technology can encourage diverse learning programmes such as blended learning programmes.
- Mobile learning can support the differently able students with easy SMS, MMS and other supporting features.
- Mobile devices can help in promoting the level of literacy and participation in education programmes among youth.

Challenges of M-learning:

While the M-Learning phenomenon has apparently already gathered inertia, a few criticisms do exist. For one, virtually all of the technology has been produced in countries with an established baseline for tech literacy. Thus, assimilation to mobile devices may be difficult for extremely rural, tech-naïve areas. Teachers

in Bangladesh, for example, have found that language barriers and unfamiliarity with advanced phone functions can impede M-Learning progress. (Valk et al.) Also, mobile infrastructure directly impacts the quality of the experience, necessitating governmental assistance and support. (Valk et al.) Online and distance learning also fails to address the pivotal influence of teachers. Sometimes the complexity of material necessitates live instruction, and M-Learning may deny students valuable mentoring experiences. Yet the obvious benefits and recognized enthusiasm for mobile learning suggests that it is worth pursuing. Technology holds the exciting promise of making education malleable and convenient, allowing students of all individual and economic levels to participate. Perhaps personal educational customization is M-Learning's most powerful feature, where true global access to information may indeed be a catalyst for change.

Some challenges and problems which can act as a barrier in adopting and incorporating mobile technologies in higher education setting in India are as follows:

- Technical challenges related to M-learning include poor connectivity and poor battery life of mobile devices.
- All type of file and formats are not supported by every type of mobile device.
- Small screen size and limited memory of mobile devices along with content security and copyright issues are other challenges of M-Learning.
- There is a need to re-work on the existing E-learning materials for making them more suitable for mobile devices.
- A vast majority of teachers are not technology friendly in the schools and higher educational institutions in India. Teachers can't motivate students for being technology friendly until and unless they do not know to use it themselves. Teachers need to be trained to use and incorporate mobile and other modern technologies as a part of teaching pedagogies to make classroom teaching more effective.
- Lack of technological infrastructure can be

another barrier for educational blogging. A vast majority of schools and colleges in India have inadequate teaching technology aids. Teachers and students are not comfortable with using technical equipments like computers, projectors, CTV-video films, E-tutoring software, teleconferencing and videoconferencing devices, wikis and edublogs. In rural areas teachers and student do not get easy access to an internet connection. To overcome these barriers, it is important for government and policymakers to provide adequate financial support, facilities and infrastructure to schools and colleges.

- Teachers may show resistance in using mobile technologies for supplementing classroom teaching as they may feel that it will make them less powerful but this resistance should be overcome through proper planning and strategy formulation by the concerned authorities by making teachers aware of the benefits they and their students can get from using mobile technologies. Teachers need to understand that this will actually empower them.
- Poor support system from concerned authorities, government, school and college managements can also act as a challenge for integrating and incorporating mobile technologies in Indian educational setting.

Suggestions for effective integration and incorporation of 'Mobile Technologies' in higher educational setting in India-

The growth of mobile technologies offers a great opportunity to transform and redefine our educational paradigms. Researchers offer the following suggestions to incorporate mobile technologies in education:

- Policymakers should make an attempt to complement mobile technologies along with other ICT investment with the current infrastructure.
- Government should encourage the use of open and standard based platforms for mobile learning applications.

- It is important for teachers to change their beliefs about modern teaching technologies including M-learning and should learn to use mobile technologies. They need to see mobile technologies as a collaborative learning tool which will supplement teaching and will empower them; not as something which will make them weak.
- Teachers and students must be trained to use mobile technologies by concerned authorities. Training programmes should be conducted at regular intervals to make them aware about recent developments in the field of educational technologies.
- Teachers should motivate students to use mobile technologies and should make them aware about the benefits they can derive from M-learning for their knowledge enhancement. Teacher guidance can motivate students for knowledge creation and sharing through mobile devices.
- Government, policymakers and concerned authorities should take appropriate steps to provide adequate infrastructure to support innovative teaching methodologies and aids to schools and colleges so that the maximum advantage of modern educational technologies can be taken.

Conclusion

Mobile devices and ubiquitous connectivity potentially allow students to access course materials and activities through the creation of hybrid virtual and real-world resources and social spaces. Higher education institutions are reluctant to provide the support needed to enable access to university systems for students' mobile devices due to the rapid turnover of models and types of technologies. Even so, students' ownership of smart mobile devices is increasing rapidly. Rates of smart phone ownership are particularly significant given their relatively recent emergence onto the mobile phone market. Most notably, students are using their devices to support their learning, especially their smart phones and tablets (including iPads and Android tablets). A thorough understanding of how students are currently using their own devices to support

their learning will enable the development of more sustainable mobile learning initiatives.

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Strategic Human Resource Management

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Strategy and HRM Linkage

Although the importance of a linkage between strategy and HRM had been long recognized most senior managers paid insufficient attention to this aspect in strategy formulation and implementation. Different organisations structured their HRM function vis-a-vis strategic management in different ways. Golden and Ramanujam (1985) propose four types of linkages between strategy and HRM. These are: administrative linkage, one-way linkage, two-way linkage, and integrative linkage. In the administrative linkage phase HR managers have neither the time nor interest in strategic focus and senior managers do not regard employees as among the key success factors in business. The next phase is the one-way linkage, where the link between HRM and strategic management is one sided - often from strategic management to HRM. In this situation HR managers design systems, programmes and practices to implement business plans. The two-way linkage phase entails a dynamic and multi-faceted linkage that is based on a holistic relationship. In the process of integrative linkage, HR managers are an integral part of the senior management team and contribute significantly to strategy formulation and implementation.

Strategic Human Resource Management

Traditionally, in the West, organisations tried to achieve competitive advantage by financial, technological and marketing maneuvering. Human resources were hardly aligned with strategic moves and functioned in isolation. The strategy planners focused more on economic analysis and planning rather than on people aspects in strategy formulation and implementation (Dyer, 1984; Starkey and McKinley, 1993; Tichy, Fombrun, and Devanna, 1982). But economic analysis totally ignores human resources as a strategic leverage and takes human resources for granted at the strategy formulation stage. As a result, problems crop up during the implementation stage.

As against this, strategic HRM necessitates that one moves

beyond the economic analysis and planning model to an analysis of HR issues involving values, beliefs, morale, commitment, competencies and capabilities of employees. Since in the ultimate analysis competitive battles are won or lost on the basis of the actual behavior of employees in different business activities; their commitment, productivity, innovation, dedication to customer satisfaction, and quest for quality determine the winners and the losers. An organisation loses its competitive advantage when its distinctive competencies are imitated by its competitors - in fact, all distinctive competencies can be imitated by competitors given the time and resources. However, competitive advantage that is achieved through a skilled and motivated work force is probably the most difficult to imitate.

The HR function becomes strategic when it is actively involved in strategy formulation. This means that HR issues get sufficient consideration in the organisational goal setting process as well as its implementation, i.e., mobilization of the right people with the right competencies and commitments towards the strategic goals.

Strategic Challenges before HR Managers

There are some strategic challenges which need the immediate attention of HR managers. These are:

- (1) Communication of the corporate vision
- (2) Developing a culture of quality and productivity
- (3) Creation of learning environment
- (4) Transfer of the human resource activities to the line managers

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Communication of the Corporate Vision

In order to achieve competitive advantage through human resources an organisation will have to get more of an employee as a person, i.e. greater psychological involvement and higher personal commitment to work than is normally expected of him. Therefore, the major task before HR managers is to get commitment from all employees.

The corporate vision is a motivational instrument, which mobilizes employees to rally behind the organization's goals. A challenging and inspiring corporate vision gives the employees a sense of direction and meaning. They take pride in belonging to the organisation and are therefore ready to commit more of their time, energy and work to achieving the organization's goals. When employees identify themselves with the long-term goals of the organisation and are emotionally tied to them they would be ready to work beyond the normal organisational expectations.

Developing a Culture of Quality and Productivity

Most Indian organisations face the problem of a soft-work culture that exhibits itself in a marginal concern for productivity and quality by employees; there is little concern for the needs of internal and/or external customers; employees fail to perceive the interdependence between the organisational and personal goals. Often personal and family goals take precedence over organisational goals. Not surprisingly, organisational goals are treated casually in such situations. Such a work culture would mean the death knell of any organisation in the new economic and business scenario. Competitive pressures necessitate a change in work culture to one characterized by equality, productivity and customer satisfaction. This three-pronged value system must be owned and practiced by all the members. They must also improve upon them continuously.

HR managers should, therefore, launch a culture change programme in their organisations which aims at changing the employees' deep-rooted values and beliefs about productivity norms, quality standards and customers. The first step in this direction would be to measure the existing levels of quality, productivity and customer satisfaction. The next step would be to set realistic targets for their improvement. The third step is to introduce change with the support of the top management. Lastly, it would be necessary to communicate information about the different facets of change to all employees.

Often, it is seen that while employees change their behavior in the desired direction, they are unable to sustain this change for too long. This is not unexpected as initially there is enthusiasm for and high expectations from the 'change programme', but when these expectations are belied, employees revert back to their old behavior. Therefore, continuous education, training and development, as well as provision of opportunities to use what is learnt, will go a long way in sustaining the culture of quality and productivity.

The role of HR managers is not restricted to the development of a quality and productivity culture within their organisations, but extends to assisting vendor organisations to improve their quality and productivity. This is because unless quality components and parts are supplied by the vendors, an organisation cannot improve the quality of its products. Therefore, vendors should also be quality conscious and cost effective. This may be achieved in two ways. Firstly, HR managers can help vendor development managers in educating the employees of the vendor organisations to achieve the requisite quality and productivity standards. Secondly, they can assist them in developing quality systems and productivity improvement programmes. In both these endeavour, HR managers would need to work in tandem with the managers responsible for dealing with the vendor organisations.

Senior HR managers will also have to be concerned with the cost of human resources as several Indian organisations are either overstaffed or lack the requisite manpower. It is necessary that organisations maintain high stand of quality and productivity with low labour cost.

Creation of a learning environment

Organisational learning is not restricted to only knowing but also involves creating knowledge and utilizing it to bring about a change in the organisational functioning. There are two components of organisational learning - one, knowledge acquisition and creation; second, its implementation. Creation of knowledge is possible at all levels of an organisation because every human being is capable of understanding and improving. Unfortunately, unlike their Japanese counterparts, Indian companies failed to involve the workers and supervisors in the organisation learning process. Middle managers were made responsible for maintenance activities instead of being encouraged to innovate or facilitate learning in the organisation. The responsibility of organisational learning was restricted entirely to the top management, which had little time for it.

In the present context it has become necessary for HR managers to promote a learning environment where every employee learns, creates knowledge, and improves management systems and practices. They would need to create systems in which employees are encouraged to take risk, and experiment, and where it is acceptable to fail and commit mistakes; where improvement and learning are valued as integral parts of work life. This is not an easy task, for before such a learning environment can be created concerned efforts have to be made to change the static, risk-averse, passive and non-involved behavior of employees.

Importance of Strategic HRM

People are something India has plenty of. But any CEO's biggest problem is getting the right people. In the era of liberalization, globalization, free competition, total quality, cross-cultural alliances, mergers & acquisitions, and fast changing equations of power, the competition for people is twice as intense as the battle for customers. This makes Managing People Strategically an imperative today.

SHRM is the process of changing an organisation, stakeholders outside it, groups inside it, and people employed by it so that they possess the required competencies and are able to use them effectively. It focuses on the HRD effort, defined as the coordinated learning activities undertaken by HRD practitioners, operating managers and employees, to support business plans.

Strategic Management of human resources is imperative because:

- The exclusive source of knowledge for organisations is people.
- Only people communicate knowledge resources across the organisation.
- Only people can convert knowledge into efficient action.
- Every successful operation is the competent and strategic deployment of people and their knowledge.
- It moves the thinking away from an inward focus to an outward-inward focus.

- It forces managers to think in terms of organisation-industry-environment interface.
- It is necessary to sustain the competitive advantage through employees.
- It is essential for an organisation to survive in terms of productivity, quality, efficiency, speed, effectiveness, technology, customer and customer delight, skill development.

SHRM involves analysis of HR issues like values, beliefs, morale, commitment, and competencies. The extent of presence of these traits makes the essential difference between winners and losers. It addresses the following key issues:

- Job responsibilities must facilitate personnel development.
- Business strategies must consider HR issues.
- All HR strategies should flow from business strategies and plans.
- Change management must energize and inspire people at all levels.

Organizations frequently forget the returns that investments in people post: the more you invest in people, the exponentially greater your rewards. Like good writing is simply putting the right words in the right place, good management is placing the right people in the right jobs.

If thought generates knowledge, the credo of tomorrow's corporations is clear. It knows. And, therefore, it is. But knowledge to today's - and tomorrow's - business enterprise is not the understanding of the unchanging, as Plato thought it was. It is not the perception of agreement and disagreement between two ideas, as philosopher John Locke would have it. It is, actually, a combination of know-what, know-why, and know-how, as embedded in the consciousness of the only entity capable of producing and processing it, i.e., People.

What the rail road was to 19th century enterprise, what the assembly line was to 20th century manufacturing, knowledge is proving to be just that to 21st century business. As the driving force behind the new economy, it is powering corporations towards ways of doing business that they never

thought possible. And as the most important determinant of the distinctive way in which every organisation operates, it has become a factor of production today. As per management guru Peter F. Drucker. "Knowledge is the only meaningful resource today". For, access to other resources is no longer limited. Capital flows freely across borders, unerringly seeking out companies that need it. Technology is available to CEOs who cannot grow it - for the right price. Raw materials are free to be transported across the globe. Information is available to anyone who wants to flag it down on the digital highways. Aware of his importance to the corporation's objectives, the individual now looks upon his employment with a company as an opportunity to test his own knowledge and apply it to his work. Compelled to meet the demands of each of its employees even as it copes with the bewildering reality of free competition, total quality, cross-cultural alliances, merges and acquisitions, and fast-changing equations of power, corporate sector is realizing the importance of people in the new paradigm of business.

Knowledge leads to competitive edge

Just where, then, can a corporation hope to get an edge over its rivals? The answers: innovation in the market. Originality of service. And a deep understanding of customer needs that goes beyond the articulated wishes which market surveys yield. Only one factor could provide all the three abilities: knowledge. And its only source is people. Increasingly, the real value addition is knowledge. As we move towards a knowledge-based society; the knowledge worker is becoming crucial. Organisations that have world-class ambitions will need to nurture knowledge workers. What makes knowledge - and, by extension, people - the most vital resource for corporations, however, is not merely its importance in generating competitive edge, it is also its scarcity.

Significantly, people are also the only resource that corporates cannot move freely across boundaries. What they're doing, therefore - as Japanese management guru Kenichi Ohmae points out - is to leverage their access to information, capital, and technology to break the old concepts of national business, and set up operations anywhere in the world that it wants to. And one of the most important considerations for the emerging global, boundary-less corporation is the local availability of top-class intellectual capital.

Today, CEOs are aiming each of their processes directly at customer satisfaction - be the customer external or internal. So what determines the course that a particular activity -

from taking an order to assembling, from responding to a complaint to dispatching a truck of products to the dealer - takes is knowledge: about the customer's needs; about the company's capabilities; and crucially, about the ways in which the second can be leveraged to meet the first. It is the greater demand being made by customers that's making people increasingly important. Because they are both the source and the conduit of knowledge, it is people who lie at the heart of the core functions of the corporation, as well as of the management initiatives that are shaping its operations. As per Adi B. Godrej, "All corporates strengths are dependent on people".

Good product depends on human resources

Companies that compete on the strength of their products have no choice but to use people as the source-spring for winning concepts. Relying on the genius of the inventor - or the reverse engineering skills of the technical, as corporates did in the past, is no longer enough. To be sure, product improvements can be generated by people independent systems that convert articulated and implicit customer expectations into specific features. But breakthrough products can be created only through intensive, planned human efforts that systematically scrutinize the realm of ideas - many of them originating in strictly people related activity such as laboratory research. Indeed, the development of a successful product depends crucially on using knowledge as a core competence of the corporation.

Quality Manufacturing depends on human resources

The more hi-tech dominates the shop floor, the more crucial today is the role of people in manufacturing. Adam Smith's production model for division of labour, where each individual repeated a micro-task endlessly, has been made defunct by the delegation of all repeatable tasks to automation. Sure, today's most modern factory employs far fewer people than its predecessor, but each of them is a vital resource, which cannot be replaced by any other. Contemporary manufacturing practices are assigning entire tasks to teams or workers on the shop floor, leaving them free to share precise responsibilities among themselves. Thus, the unique contribution of each team-members is crucial to the performance of that team. Ultimately, therefore, a company's manufacturing will be more effective than its rivals', not because of an intrinsic difference in technology, but because its people are using the technology more cleverly.

Effectiveness of Management techniques depends on Human Resources

The management initiatives that corporates are taking in response to today's imperatives are bringing people squarely centre stage. The doctrine of core competence that CEOs are using to exit from business that they have no competitive advantage in involves identifying the fundamental strength of the corporation. Corporates are discovering that their core abilities lie not in particular products or product categories, but in unique expertise. Or, the knowledge pool and skills of their people. Similarly, companies are being driven by younger competitors to disown their inefficient methods - legacies from a competitionless past - and re-engineer their business. And they're realizing the re-engineering will not succeed unless the right people with the appropriate set of skills are in place to manage the new process. Equally important, re-engineered processes will bring no improvement unless CEOs ensure that their people's mindsets are re-engineered too. In other words, it is a corporation's people who will make or break the application of hot management tools.

Recognizing this, successful techniques are focusing directly on people instead of technologies or processes, operating on the principle that devising systems for getting the best out of people will automatically maximize corporate performance. So companies are deploying their people in teams on the shop floor and in the manager's cubicles, using them to solve problems innovatively and meet stretch targets. Simultaneously, they're wielding the principle of empowerment: pushing decision making for every task down the line to the people closest to that particular task. The motive of course is to ensure that the knowledge resource of each individual is applied directly to the tasks they have to perform.

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Resource Mobilization of Regional Rural Banks in India

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Abstract: Regional Rural Banks are established under the provisions of an ordinance promulgated on the 26th September, 1975 and the RRB Act, 1976 with an objective to ensure sufficient institutional credit for agriculture and other rural sectors. Reforms and mergers introduced by the Government of India in consultation with Reserve Bank of India (RBI) and National Bank for Agriculture and Rural Development (NABARD) in the years 1994-95 to 2005-06 have yielded positive results in respect of key performance indicators such as number of banks and branches, capital composition, deposits, loans, loans and the trend of investments. The objective of this paper is to investigate whether the merger/amalgamation of Regional Rural Banks in India. Several committees have emphasized the need to improve the performance of these banks in terms of resource mobilization, which play an important role in the rural credit market in India. The study is diagnostic and exploratory in nature and makes use of secondary data. The study finds and concludes that performance of rural banks in India has significantly improved after amalgamation process which has been initiated by the Government of India.

Key Words: RRBs, Resource Mobilization, Rural Credit Market, State Governments, Sponsor, Reserve Bank of India.

Introduction

Banks play an important role in mobilization and allocation of resources in an economy. The gains to an economy depend on how efficiently the banks perform. Like other commercial organization, the efficiency of banks is also judged among others by their profitability. In India, the priorities in banking operations underwent far reaching changes since the banking sector reforms have been set in motion. There had been a shift of emphasis from development or social banking to commercially viable banking. Profitability became the main consideration and the prime mover of the financial strength and performance of banks. Unlike in the past, all banking operations gradually came to be measured in terms of their ability to generate profits.

In the wake of introduction of financial sector reforms in 1991-92, the commercial viability of RRBs emerged as the most crucial factor in deciding about their desired role due to their limited business flexibility with hardly any scope of expansion/diversification, smaller size of loans with higher exposure to risk-prone advances and professional inefficiency in financial deployment. To strengthen RRBs and improve their performance many initiatives have been

taken by the Government and the Reserve Bank of India. As a part of comprehensive restructuring programme, recapitalization of RRBs was initiated in the year 1994-95. The process continued till 1999-00 and covered 187 RRBs with aggregate financial support of Rs. 2188.44 crore from the shareholders, viz. Government of India, State Governments and sponsor banks in the ratio of 50:15:35. Further, the branch licensing policy for RRBs has been liberalized. Under the new norms, empowered committees at the regional offices of RBI clear RRB application to open new branches. The branches of RRBs may undertake government business including conducting foreign exchange business with the prior approval of the concerned Government authority and RBI. These banks have also been allowed to open extension counters at the premises of the institutions of which they are principal bankers after obtaining license from the concerned regional office of the RBI. The RRBs need not to obtain permission of RBI for installation of ATMs at branches and extension counters for which they hold licenses issued by RBI. They are also permitted to open off-site ATMs after assessing the cost and benefit. As against the earlier policy of opening a large number of branches in far flung rural

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areas, RRBs have been permitted to merge/close down their unviable branches and the branch licensing policy for RRBs is almost at par with that for commercial banks.

Regional Rural Banks were established under the provisions of an Ordinance promulgated on the 26th September 1975 and the RRB Act, 1976 with an objective to ensure sufficient institutional credit for agriculture and other rural sectors. The RRBs mobilize financial resources from rural/ semi-urban areas and grant loans and advances mostly to small and marginal farmers, agricultural labourers and rural Artisans. The area of operation of RRBs is limited to the area as notified by Govt. of India covering one or more districts in the State. RRBs are jointly owned by Govt. of India, the concerned State Government and Sponsor Banks (27 scheduled commercial banks and one State Cooperative Bank); the issued capital of a RRB is shared by the owners in the proportion of 50%, 15% and 35% respectively

Review of Literature

The literature available in the working and performance of RRBs in India is a little limited. The literature obtained by investigators in the form of reports of various committees, commissions and working groups established by the Union Government, NABARD and Reserve Bank of India, the research studies, articles of researchers, bank officials, economists and the comments of economic analysts and news is briefly reviewed in this part. Patel and Shete (1980) of the National Institute of Banking Management made a valuable analysis of performance and prospects of RRBs. They also gave a comparative picture of performance in deposits, branch Expansion and credit deployment of the co-operative banks, commercial banks and RRBs in a specified area. NABARD (1986) published "A study on RRBs viability", which was conducted by Agriculture Finance Corporation in 1986 on behalf of NABARD. The study revealed that viability of RRBs was essentially dependent upon the fund management strategy, margin between resources mobility and their deployment and on the control exercised on current and future costs with advances. The proportion of the establishment costs to total cost and expansion of branches were the critical factors, which affected their viability. The study further concluded that RRBs incurred losses due to defects in their systems as such, there was need to rectify these and make them viable. The main suggestions of the study included

improvement in the infrastructure facilities and opening of branches by commercial banks in such areas where RRBs were already in function. Kalkundrickars (1990) in his study on "Performance and Growth of regional Rural Banks in Karnataka" found that these banks had benefited the beneficiaries in raising their income, productivity, employment and use of modern practices and rehabilitate rural artisans.

Kumar Raj (1993) carried out a study on the topic "Growth and Performance of RRBs in Haryana". On the basis of the study of RRBs of Haryana, it is found that there was an enormous increase in deposits and outstanding advances. The researcher felt the need to increase the share capital and to ensure efficient use of distribution channels of finance to beneficiaries. A. K. Jai Prakash (1996) conducted a study with the objective of analyzing the role of RRBs in Economic

Development and revealed that RRBs have been playing a vital role in the field of rural development. Moreover, RRBs were more efficient in disbursement of loans to the rural borrowers as compared to the commercial banks. Support from the state Governments, local participation, and proper supervision of loans and opening urban branches were some steps recommended to make RRBs further efficient. L.K Naidu (1998) conducted a study on RRBs taking a sample of 48 beneficiaries of rural artisans in Cuddapah district of Andhra Pradesh state under Rayale Seen Gramin Bank. In this study, it was concluded that the beneficiaries were able to find an increase in their income because of the finance provided by the bank. According to Nathan, Swami (2002), policies of current phase of financial liberalization have had an immediate, direct and dramatic effect on rural credit. There has been a contraction in rural banking in general and in priority sector lending and preferential lending to the poor in particular.

Chavan and Pallavi (2004) have examined the growth and regional distribution of rural banking over the period 1975-2002. Chavan's paper documents the gains made by historical underprivileged region of east, northeast and central part of India during the period of social and development banking. These gains were reversed in the 1990s: cutbacks in rural branches in rural credit deposits ratios were the steepest in the eastern and northeastern states of India.

Scope of the Study

The present study will analyzed the resource mobilization of Regional Rural Banks in India through the growth of deposits.

Objectives of the study

The followings are the Objectives of the Study:

- To analyze the source outline of RRBs in India
- To study the Time and Demand Deposits of RRB'
- To offer suitable suggestions on the basis of the findings of the study.

Methodology

The study is purely based on the secondary data only. The data required for the study are collected from the Reports on Trends and Progress of the Banking in India, Government publications, Books, Journals, Websites and so on.

Period of the study

The study covers a period of fourteen years from 2000-01 to 2013-14.

Plan of analysis

The researcher has used the statistical tools like percentage, Growth rate, compound growth rate, trend analysis

Classification of total deposits of RRBs in India

Table 1 shows the classification of total deposits of RRBs in India during the study period.

From the Table 1, it is understood that the total deposits of RRBs in India has increased from ₹37027 crores in 2000-01 to ₹241791 crores in 2013-14. The proportion of demand deposit of RRBs in India varied between 17.55 per cent in 2000-01 and 53.78 per cent in 2013-14 and the highest proportion of time deposit of RRBs in India has decreased from 82.45 per cent in 2000-01 to 46.22 per cent in 2013-14.

Growth of demand deposits of RRBs in India

The detail regarding the growth of demand deposits in RRBs in India is presented in Table 2.

Demand deposits of RRBs and its growth rates are shown in Table 2. The demand deposits increased from ₹6499 crores to ₹130040 crores between 2000-01 and 2013-14. The growth rate of demand deposits has varied between 18.73 per cent and 9.36 per cent during the study period. The compound growth rate of demand deposits is 36.24 per cent over the study period.

Table 3 given below presents the growth rate of time deposits of RRBs during the eleven years period of the study.

From Table 3, it is found that the time deposits of RRBs witnessed an increasing trend during the study period except in the year 2005-06. During the study period, it have ranged between ₹30528 crore and ₹111751 crore. The growth rates of Time deposit have varied between 16.29 per cent and 20.37 per cent. The compound growth of time deposits of RRBs in India is 5.40 per cent during the study period.

Growth of Total Deposits of RRBs in India

Table 4 presents the growth of Total deposits mobilized by RRBs during the study period.

It is clear from Table 4 that the total deposits increased from ₹37027 crores to ₹241791 crores, between 2000-01 and 2013-14. The compound growth rate of total deposits is 16.10 per cent. The growth rate of total deposits have varied between 16.73 per cent and 14.46 per cent during the research period.

Analysis of Data

Trend Analysis

The deposits and advances of RRBs in India have been analyzed by the method of least square and predicted for the future year 2025. The trend values of RRBs have been estimated by using a linear trend equation as given below.

$$Y_c = a + bx$$

Where Y = Deposits and advances of RRBs in crores.

X = Time variable

'a' and 'b' are parameters to be estimated.

Y_c computed trend figure for period x.

The above trend equation has been estimated by the method of least squares. The value of 'a' and 'b' are determined by solving the following two normal equation:

$$\sum y = Na + b \sum x \quad \text{-----} \quad (1)$$

$$\sum xy = N \sum x + b \sum x^2 \quad \text{-----} \quad (2)$$

Where N=Number of years of which data are given that is 14 years.

The x values for the year 2000 to 11 are -5,-4,-3,-2,-1, 0, 1,2,3,4 and 5.

Since $\sum x = 0$ the above two normal equations are

$$\sum y = Na$$

$$a = \sum y / N$$

$$b = \sum xy / \sum x^2$$

With the help of the above linear trend equations the trend values of deposits and advances of RRBs in India have been computed.

Equation to straight line trend is

$$Y_c = a + bx$$

Since $\sum x = 0$.

$$a = \sum y / N = 1532893 / 13$$

$$a = 117915$$

$$\sum xy = b \sum x^2$$

$$b = \sum xy / \sum x^2 = 3017587 / 182$$

$$b = 16580$$

$$Y_c = 84597 + 12431X$$

The equation to the straight line trend is

$$Y_{2025} = 117915 + 16580(17) = 399775$$

total deposit in the year 2025 would be ₹ 399775 crores.

Findings

The Total deposits of RRBs comprises Demand deposits and Time deposits

1. The growth rate of demand deposits has varied between 18.73 per cent and 9.36 per cent during the study period. The compound growth rate of demand deposits is 36.24 per cent over the study period.
2. The growth rates of Time deposit have varied between 16.29 per cent and 20.37 per cent. The compound growth of Time deposits of RRBs in India is 5.40 per cent in during the study period.

Suggestions

- a. To increase the deposits, the bank should organize "Deposits Week" and take steps to mobilize deposits.
- b. As regards deposits, the current deposits carry zero rate of interest. Therefore the banks have to concentrate on mobilizing current deposits.
- c. To maintain a steady growth rate of deposits, it is recommended that the banks should come forward to offer some subsidiary services like marketing assistance, technological assistance, and insurance facilities, export facilities and so on, to the customers.
- d. The share capital of the banks must be increased in order to make themselves competitive.

- e. There is a need for proper planning with specific objective after considering the potential and peculiar characteristics of people in the area of operation. RRBs should make it a policy to exploit the potential available for deposits.

Conclusion

The performance of deposits of RRBs has showed a decreasing trend. The trend value of total deposit of RRBs for the year 2025 would be ₹ 399775 crores.

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Table 1: Classification of Total Deposits of RRBs in India (₹ in crores)

Year	Demand Deposits	Time Deposit	Total Deposit
2000-01	6499	30528	37027
	(17.55)	(53.78)	(100)
2001-02	7716	35504	43220
	(17.85)	(82.15)	(100)
2002-03	8802	39544	48346
	(18.21)	(81.79)	(100)
2003-04	11019	45991	57010
	(19.33)	(80.67)	(100)
2004-05	17330	44813	62143
	(27.89)	(72.11)	(100)
2005-06	42186	29143	71329
	(59.14)	(40.86)	(100)
2006-07	50886	32261	83147
	(61.20)	(38.80)	(100)
2007-08	59059	40036	99095
	(59.50)	(40.40)	(100)
2008-09	73124	44860	117984
	(61.98)	(38.02)	(100)
2009-10	83971	61064	145035
	(57.90)	(42.10)	(100)
2010-11	100326	65906	166232
	(60.35)	(39.65)	(100)
2011-12	108900	77400	186300
	(58.45)	(41.55)	(100)
2012-13	118904	92339	211243
	(56.29)	(43.71)	(100)
2013-14	130040	111751	241791
		(46.22)	(100)

Table 1, Source: RBI Report on Trend and Progress of banking in India

Note: The figures in the brackets are per cent to total

Table 2: Growth of Demand Deposits of RRBs in India (₹ in crores)

Year	Demand Deposits	Increases/Decrease	Growth Rate (%)
2000-01	6499	-	-
2001-02	7716	1217	18.73
2002-03	8802	1086	14.07
2003-04	11019	2217	25.19
2004-05	17330	6311	57.27
2005-06	42186	24856	143.42
2006-07	50886	8700	20.62
2007-08	59059	8173	16.06
2008-09	73124	14065	23.81
2009-10	83971	10847	14.83
2010-11	100326	16355	19.48
2011-12	108900	8574	8.55
2012-13	118904	10004	9.19
2013-14	130040	11136	9.36
Compound Growth Rate=36.24 %			

Source: RBI Report on Trend and Progress of banking in India

India (₹ in crores)

An Empirical Study on The Perception of Consumer Regarding The Multiple Celebrity And Single Celebrity Endorsements

* Ms. Taru Baswan

Abstract: *In our country, we aspire to be like celebrities we try to live their lives and at times even some of us worship celebrities, whether it is a Bollywood star like Salman Khan, Amitabh Bachchan, Juhi Chawla or a sportsperson like Sachin Tendulkar, MS Dhoni, Sania Mirza and Saina Nehwal. Marketers being aware of the popularity of celebrities amongst the people want to harness the benefits of celebrity endorsements and target potential and retain their existing customers. Celebrity endorsements have gained momentum since last decade, and have become a tool of promotion for the marketers, generating lots of revenues and profits for them. Celebrity endorsements has become a bed rock for any promotional activity done by the company, the apposite combination of celebrity and the product creates a favourable image in the minds of the people and thus, making a positive move in the direction of the purchase of the product. If properly executed, it can do wonders for the brand but the mismatch can be disastrous too, not only for the brand but for the celebrity as well. The subject needs to be researched a lot in order to understand how the concept of celebrity endorsements work and how it can be fruitful to the marketers. This research paper explicates not only the theoretical aspect of celebrity endorsements but also the preference of people regarding the Multiple Celebrity Endorsements (MCE) and Single Celebrity Endorsements (SCE).*

Key Words: *Celebrity Endorsements, Attractiveness, Meaning Transfer Model, Single Celebrity Endorsement, Multiple Celebrity Endorsement.*

Introduction

Celebrities are people who enjoy public recognition and who often have distinctive attributes such as attractiveness and trustworthiness (McCracken 1989; Silvera and Austad 2004). Advertisers believe celebrity endorsements to bring a positive impact on the sales of their offering and cut through the clutter of advertising bringing brand awareness advertising recall, favourable attitudes toward the advertised brand, and increased sales and profits. Marketers and advertisers consider that that a communicator's disposition has a significant effect on the persuasiveness of the message. This view has resulted in what, we call celebrity endorsements. In India, the expected media spending for the year 2014 is forecasted rupees 430.65 billion. With the growing popularity of celebrities marketers want more and more celebrities to endorse their product to create an image to relish on the extended market share.

The use of celebrities in advertising varies enormously around the world. It's highest in Japan and Korea, where over 40 percent of TV ads feature celebrities, and lowest in Ukraine, Sweden, and Canada, where the proportion is under 5 percent. It is 10 percent in the U.S., and 12 percent in the UK. The type of celebrity used varies a lot by region. In Asia Pacific, around half of ads featuring celebrities use film stars; this drops to 12 percent in Latin America. The second most popular type of celebrity is TV presenters; this is at 35 percent in Latin America, but drops to 10 percent in Africa. It is also apparent that in Asia, local celebrities are far more likely to be used, whereas in the U.S. the split between local v international celebrities is closer to 50:50 (probably because U.S. celebrities are more likely to be internationally known).

Source: http://www.millwardbrown.com/Libraries/MB_Knowledge_Points_Downloads/MillwardBrown_

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KnowledgePoint_Celebrity-basedCampaigns.sflb.ashx

Celebrities are people who enjoy public appreciation by a large share of a certain group of people and enjoy a high degree of public awareness (Schlecht, 2003). A celebrity endorsement is a form of brand or advertising campaign that involves a well known person using their fame to help promote a product or service. Celebrity endorsement is more frequently observed for those products having a high price-production cost margin and a huge customer base. In short, celebrity endorsements are more typical for nationally marketed products than for local or niche market products. But today's scenario is, not to endorse a single celebrity but more than one celebrity for a single product for more intense impact on the mind of the consumers. Now the most significant question is that, what impact does the multiple celebrity endorsements have on the buying behaviour of the consumers, does it really makes a difference when it comes to the single celebrity versus multiple celebrity endorsements. This research paper tries to investigate effects of the single celebrity endorsements Vs multiple celebrity endorsements. This study could be conducive in two-folds; in academic this research may support previous literature and validate the existing theory (i.e. attribution theory) and in advertising industry this study could provide implications in terms of how to use celebrities when it comes to brand building.

Endorsement's advantages

Celebrity endorsements works on the principle that the value associated with the celebrity is transferred to the brand and therefore help create an image that can be easily recalled by the consumers. Consequently, by associating the brand with the celebrity, the brand can very quickly establish recognition, credibility and a favourable image which helps it generating the increased sales. Nevertheless, there are many risks associated with such endorsements.

Influence consumer purchases

The affinity consumers have for certain celebrities can greatly influence their purchases. People may have the attitude, "If the product is good enough for her, it's good enough for me." This philosophy is often the impetus behind advertisements for makeup, skin creams, hair products and attire. Consumers want the wavy hair of a local celebrity, for example. Hence, they purchase the

brand that the celebrity uses to achieve her hair's fullness and bounce. Local consumers may also desire the same soft drink as their team's best baseball player. Essentially, the testimonial of the local celebrity adds instant credibility to a small company's product.

Build awareness

Celebrities in advertising build brand awareness, according to "Supermarket News," a publication covering the food distribution industry. And they build it much more quickly than traditional types of advertising. Brand awareness measures the percentage of people who are familiar with a particular brand. Small businesses spend lots of money and time for exposure to incrementally increase brand awareness among consumers. The use of a local celebrity can do much to enhance consumers' awareness and understanding of what a small business offers.

Position a brand

Some small companies use celebrities in advertising to position their brands. Product positioning is placing a company's products in the best possible light in the minds of a target group. For example, a small investment firm may use a well-respected and retired local disc jockey to market a retirement plan for people ages 50 and over. The fact that the disc jockey falls in the consumers' age group and has a good reputation in the community makes the company's product and message more believable.

Draw new users

One challenge small companies face is finding new users for their products. Local celebrities in advertising appeal to customers as well as those who have never tried the brand. The latter may be users of competitive brands. However, those who continually see the local celebrity in a commercial for a certain product may be convinced to try the product.

Breathe life into failing brand

The use of a celebrity in an advertisement may also help to breathe life into a failing brand. For example, a small soap manufacturer might think about dropping a brand or product, especially if production and overhead costs are leaving little or no profit. However, the use of a celebrity to

tout the benefits of the brand could help create new interest and excitement in consumers.

Factors behind the successful endorsements

Uniformity and long-term commitment: There should be consistency between the endorser and the brand so as to establish a strong personality and identity. Moreover the marketers should take brand endorsements as a strategic move to develop a global brand which respects the local requirements, taste and preferences.

Prerequisites to selecting celebrities: the three important prerequisites must be kept in the mind before the brand is endorsed by any celebrity

- a) attractiveness of the endorser.
- b) a positive image in the society,
- c) perception of having the necessary knowledge.

Match between the celebrity and the brand The Companies must ensure a match between the brand being endorsed and the endorser so that the thought process of the consumers is strongly influenced by the endorsements to create a positive perception of the brand . There should be an element of believability so that consumers can develop trust on the brand and can go in for the purchase of the product.

Kellogg's opted out of a contract extension with Olympic swimmer Michael Phelps several weeks ago, the company simultaneously ripped Phelps' bong-hit photo as being inconsistent with its image. "Kellogg is a family brand. How does Mom, who does the family shopping, feel about Phelps?" said David Reeder, vice president of GreenLight (2009), a brand and entertainment consulting firm.

Regular monitoring: The conduct, public image and the behaviour of the endorser should be monitored to minimize the potential negative publicity.

Selection of a unique endorsers: Great brands represent great ideas. There should be a clear transfer of personality and identity between the endorser and the brand. These brands communicate the uniqueness of position to all internal and external audiences. Companies should ensure

that the celebrities should not endorse competitor's brand or conflicting brands.

Myopic endorsement strategy: Myopic vision engaged in the brand endorsements leads to the wrong endorsements decisions. The apparent problem is that too many brands have a myopic focus on short terms sales and 'awareness'. With this mindset they are rationally driven towards ill conceived celebrity endorsement campaigns.

Vampire effect: Companies should focus on the issue that the celebrities should not overshadow the brand and should ensure of this, not happening by formulating advertising collaterals and other communications.

Only a channel: Companies must realize that having a celebrity endorsing a brand is not a goal in itself; rather it is one part of the communication mix that falls under the broader category of sponsorship marketing.

Over dependency on celebrity: A celebrity is not a replacement for an idea. A brand without a focus will never find the correct celebrity to match the brand.

The celebrity trap: Once into a celebrity, it is hard to get out of it. If the brand has done even moderately well after the break of a celebrity campaign, it becomes difficult to the role of message and the role of the celebrity in selling the brand.

Trademark and legal contracts: Companies should ensure that the celebrities they hire are on proper legal terms so that they don't endorse competitors' products in the same product category, thereby creating confusion in the minds of the consumers.

Overall management: The organization's senior leadership must champion the brand, ideally with the CEO leading the initiative. A leader's continual articulation of the brand philosophy and the brand's view of the world is meant to give the celebrity endorsement strategy a recognizable face.

Cultural sensitivity: The endorsement strategy should be drafted by understanding the cultural sensitivity. The endorsements should represent the brand to be global in presence but local in requirements of the customers.

Theories: Source credibility model, source attractiveness model, match-up hypothesis and meaning transfer model (MTM) have all been used to provide theoretical background in explaining the effects of celebrity endorsement in advertising.

Source credibility model

The source credibility was first proposed by Hovland and his associates which expounds that the effectiveness of a message depends on perceived expertise and trustworthiness of the endorser. According to Kelman (1961), credible source's information can have an impact on beliefs, opinions, attitudes, and behavior through internalization process. Expertise refers to the perceived level of knowledge, experience, or skills possessed by an endorser (Hovland et al. 1953). Ohanian (1990) contends that the perceived expertise of celebrity endorsers is more important in explaining purchase intentions rather than their attractiveness and trustworthiness. In short, a celebrity who is perceived as an expert by consumers carries more persuasiveness than others (Ohanian 1990; Horai, Naccari, and Fatoullah 1974).

Trustworthiness, according to Ohanian (1990, p. 47) is "the listener's degree of confidence in, and level of acceptance of, the speaker and the message." Erdogan et al. (2001, p. 40) also define trustworthiness as "the honesty, integrity, and believability of an endorser as perceived by the target audience."

Source attractiveness model

The three factors such as similarity, familiarity and likeability are the physical attributes which are related to the source attractiveness. The source attractiveness explicates that a message's effectiveness depends on the source's familiarity, likability, similarity and attractiveness to the respondents. According to Kelman (1961), a communicator's physical attractiveness affects 'the effectiveness of persuasive communication through identification, which occurs when information from an attractive source is accepted as a result of desire to identify with such endorsers'.

Match-Up hypothesis

The suggestions given by the match up hypothesis says

that there should be a fit between the endorsing celebrity and the endorsed brand. In the ad based evaluations The degree of consumer's perceived fit between an advertised brand and a celebrity endorser's image plays an important role. It was found by Kamins (1990) that attitudes towards products and ads became favorable as celebrity endorser's attractiveness increases.

Meaning Transfer Model (MTM)

The complicated process of celebrity endorsements in advertising is explained by the meaning transfer model. The effectiveness of the celebrity is understood by relating the endorser with the brand endorsed or in other way the association the endorser has with the brand. According to McCracken's (1989) meaning transfer model, there are three stages perceived under this approach First, the meaning associated with a celebrity moves from the endorser to the product or brand. Second, meanings attributed to the celebrity get associated with the brand in the consumer's mind. And lastly, the brand's essence is acquired by the consumer in the consumption process. The final stage of this model underscores the importance of consumer's role in the process.

Overall, the source models, the match-up hypothesis, and the meaning transfer model have provided a strong theoretical backbone for elucidating the effectiveness of celebrity endorsement so far.

Literature Review

Findings of the research done by patra and dutta (2012) divulge that multiple brand endorsements are very much common and brands endorsed by celebrity is more likely to generate a positive attitude towards brand than non celebrity endorsed brand. Results of the study done on the celebrity Attributes and Influence on Consumer Behaviour – A Study of Shekhawati Region of Rajasthan by Dr. Sushil Kumar Rai, Ashish Kumar Sharma (2013) unfolds that Celebrity Controversy, Gender and Profession have no significant influence on consumer behavior whereas Celebrity Attractiveness, Credibility, Performance, Popularity and Territory significantly influence consumer behaviour. Furthermore, it was proved through regression analysis that credibility of the celebrity has maximum effect on consumer behavior. A study by Jain, Sudha, Daswani (2009), on the customer perception about

celebrity endorsement in television advertising for retail brands reveals that customer prefer film actors as well as sportsperson for retail advertising, but they prefer female celebrities over male celebrities, they like to see celebrities mainly for the sensory products like clothing, fashion and accessories and beauty products, for cerebral products like books and health care products, they would not prefer celebrities. selection of the celebrity for a retail brand is based on the seven factors proficiency, reliability, pleasantness, elegance, distinctiveness, approachability and non controversial. A study by Mukherjee (2009) disclose that the celebrities' acceptability, availability, regional appeal factors, popularity, attractiveness, image, belief system are the important factors considered important while selecting a celebrity for a brand endorsements. Multiple endorsements create confusion in the minds of the consumer and the brand image and image of the celebrity should match to create a positive outlook. Association of the celebrity with a controversy or ill-behavior can cause negative impact to the endorsements and leads to the loss of profits. Nam Hyun Um in his study (2008) exposed that multiple product endorsements increased higher level of attitude towards ad, attitude towards brand, and purchase intention than a single celebrity endorsed product while a single celebrity product endorsement increased the higher level of attitude towards ad, attitude towards brand and purchase intention than multiple celebrity endorsements. Run Ernest in his study (2005) on the Attitude Towards the Ad: Assessing Measurement Invariance In Cross-Ethnic Research gave an insight on how to develop a scale to measure the effectiveness of the advertisements. Bennett, Rebekah and Rundle-Thiele, Sharyn (2002) A comparison of attitudinal loyalty measurement approaches revealed on how to measure the brand loyalty of the customers. A research on the examination on multiple celebrity endorsers in advertising by Hsu, Chung-kue, (2002) unveils that there should be a fit between the attribute of the endorsed product and the characteristics of various celebrities using multiple celebrity endorsers in advertising.

Research Methodology

Research Gap: : This is apparent from the literature review that lot many studies have been done on the impact of celebrity endorsements and the results are also quite positive but on a profound inspection it is observed that there is a dearth of studies, which focus upon multiple and single celebrity endorsements. The foremost objective of

this paper is to examine the impact of single vs. multiple celebrity endorsements and its impact on the buying behaviour of people. For this, the author have framed a structured questionnaire in which questions related to the perception of the SCE and MCE advertisement were asked in one section, followed by the questions related to the attitude towards a single brand endorsed product and multiple brand endorsed product and in the end perception of respondents regarding the multiple brand endorsements and single brand endorsements. This paper elucidates that how a multiple brand endorsements and single brand endorsements influence the buying behavior of the consumers.

Hypothesis:

Ha= There is no significant difference between the SCA and MCA

Hb= There is no significant difference in the attitude of consumers in regards of single brand endorsements and multiple brand endorsements.

Hc = There is no perceptual difference between single brand endorsements and multiple brand endorsements.

Data Collection: In order to discover the differences between the various extensions of single celebrity endorsements and multiple celebrity endorsements a structured questionnaire was prepared containing questions related to the advertisements, attitude and perception. A, 28 item five point likert scale is used to explore the disparity between the two MBE and SBE. The questionnaire was emailed to a group of people and some people were personally asked to fill in the research instrument. Out of all the questionnaires floated 63 people responded out of which 50 questionnaires were found absolutely appropriate for the further survey.

Sample Characteristics: Convenience sampling was used for the selection of the respondents and data were collected from respondents by administering a structured questionnaire in English. The percentage of people who filled the questionnaire constitute 28% in the age group of 20-25 and 24 % in the age group of 25-30, where as 52 % comprised of males and 48% that of the females . Occupation wise makeup of the sample, consist of 40 % service class and 28% homemade whereas 64 % of the

respondents were post graduates.

Reliability Test: The questionnaire prepared was tested for the reliability and the results are as shown in the table below. As observed from the table the value of cronbach alpha comes out to be 0.794 which means that the set of indicators taken in the research instrument are consistent in their measurement. Reliability is actually the degree to which a set of two or more indicators measure one common theme associated with the construct. If the construct is highly reliable, it implies that the indicators under it are highly correlated, indicating that they all measure the same latent construct

Table 1. Reliability Test

Cronbach's Alpha	N of Items	Mean	Standard Deviation
0.794	28	70.56	10.771

Data Analysis

Table 2. Mean, Standard Deviation, P-Value

	N	Mean	S.D	P-value
Single celebrity advertisement	50	2.36	.687	.038
Multiple celebrity advertisement	50	2.21	.652	
Attitude towards a SCE Brand	50	2.88	.750	.081
Attitude towards a MCE Brand	50	2.49	.753	
Perception abt. Multiple Brand Endorsements	50	2.69	.287	.026
Perception abt. Single Brand Endorsements	50	2.49	.501	

Result's Discussion

This study establish that single celebrity advertisement increased higher level of attitude towards ad and attitude toward brand . The results also provide an insight that mulitple brand endorsements may enhance brand evaluation simultaneously. However, the study results

contradicts the proposed hypothesis of the researcher, which says like this that there is no significant difference between the SCA and MCA and there is no perceptual difference between single brand endorsements and multiple brand endorsements rather the P-values for both the statements comes out to be less than 0.05 which means we reject the null hypothesis thereby accepting that there is a significant difference between the two. Apparently, the P – value for the H_b comes out to be 0.081 (> 0.05) where in we accept the null hypothesis which proves that attitude towards SCE and MCE is indifferent.

Conclusion

Celebrity endorsement has become so popular in the advertising industry that there is a rat race amongst marketers, behind celebrities for the endorsements of their products. The obvious reason for going in for celebrities is the fact that they have a mass appeal and once identified with a product, they can generate an instant recall in the mind of the consumer and also the consumers can connect themselves with the products. This study had two objectives first to understand the relationship between select parameters associated with celebrities and their effect on consumer buying behaviour through the literature review. The second one is to investigate the dissimilarity between the multiple celebrity endorsements and single celebrity endorsements. From a thorough literature review it was revealed that the personality of the celebrity and character should match up with the benefits which the product is providing. Whereas celebrity's trustworthiness and credibility are also most important criteria to select a celebrity for the endorsements. Secondly it was found that people like to watch celebrities endorsing a brand and the brand evaluation by them also depends upon whether single celebrity is endorsing a brand or multiple celebrities.

The research gives a greater insight to the advertising world and the market strategists that while developing an ad campaign and incurring expenditure on it one should keep in mind whether to endorse single celebrity or multiple celebrity to keep the ad campaign attractive enough to influence the purchase intensions. The results provide marketer a handy advice for creating and crafting prolific marketing strategies to generate higher profits and revenues for the organizations.

Scope of the future study

This study should be considered as a pilot study as the sample selected was too small and may not be representing the entire universe. For the future researches, more emphasis and clarity should be given on the constructs and additional variables like attractiveness, likeability and expertness of the celebrity endorsing the brand must be incorporated to get the more intensive and exhaustive results.

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Importance of Environmental Education for Sustainable Development

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Abstract: *In the present scenario, due to anthropogenic activities, environmental degradation is in an alarming rate and it results in various environmental issues such as global warming, ozone layer depletion, greenhouse effects, raise in sea water level, improper monsoon and acid rain. Science and technology have brought immense benefits but we are paying a high 'price' for it. There is a wrong myth that economic development is based only in industrialisation. But in the international organisations such as World Bank and International Monetary Fund, environmental degradation is considered as the norm. Science and advanced technology can however only help the process of global sustainable environment in a limited way but they cannot deliver it. The success of the technology lies in its implementation part. In spite of conducting more conferences, seminars and world summits towards the protection of environment for the past two decades, the present world is environmentally less sustainable than in the previous days. The progress whatever the rich developed countries have made so far has largely been achieved through the relocation of their dirty manufacturing facilities to poor developing countries. However the relocation of the manufacturing facilities in this way cannot address the growing problem of anthropogenic pollution – it merely changes the jurisdiction of the pollution created from the 'rich' to the 'poor' world. Therefore in order to achieve the acceptable level of global environmental sustainability, the citizens must be empowered with essential knowledge and information especially in developing countries like India. Since educational institutions are the places where the contact of the society is more, it is possible to bring remarkable changes in the mindset of the public.*

Key Words: Sustainable Development, Environmental Education, Students, Schools and Colleges, Pedagogical Strategies, Responsible Environmental Behaviour Morality.

Introduction

Environmental Education is a new focus for education. It is a way of helping individuals and societies to resolve fundamental issues relating to the current and future use of the world's resources. However, simply raising awareness of these issues is insufficient to bring about change. Environmental Education must strongly promote the need for personal initiatives and social participation to achieve sustainability. Environmental education is a process that aims at the development of environmentally literate citizens who can compete in global economy, who have the skills and knowledge and inclinations to make well informed choices concerning the environment, and who exercise the rights and responsibilities of the members of a community. Environmental knowledge contributes to an understanding and appreciation of the society, technology

and productivity and conservation of natural and cultural resources of their own environment. Environmental education has an ability to solve the societal needs, the needs of a community problem and their solutions and workforce for tackling cooperative minds. We need the school children to share and develop the motivation from school about various environmental issues, which are the challenges of today and prepare them for the future.

For the past one decade much effort was expended in the global level to achieve sustainable development. In spite of conducting more number of conferences, seminars and world summits towards the protection of environment, the present world is environmentally less sustainable than in the previous days. The reason is very predictable

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that the poor developing countries had been seriously thwarted by the lack of financial and skilled manpower resources whereas the rich developed countries appeared to be reasonably content with the progress they had made. The progress whatever the developed countries have made so far has largely been achieved through the relocation of their dirty manufacturing facilities to poor developing countries. However the relocation of the manufacturing facilities in this way cannot address the growing problem of anthropogenic pollution – it merely changes the jurisdiction of the pollution created from the ‘rich’ to the ‘poor’ world. Therefore in order to achieve the acceptable level of global environmental sustainability, the citizens must be empowered with essential knowledge and information. The awareness among the public and industrial generators have to be created and motivated by the updated techniques and incorporating the innovative and implementable solutions to reform our economy. These can be achieved through environmental education .

A curricular framework of environmental education:

- It envisages the place of EE in the school curriculum.
- Place of EE vis-à-vis other subjects of study.
- Mode and strategy of inclusion of chapters at different levels.
- EE in terms of time and allocation of marks.
- Development of syllabi and instructional material for dissemination at different levels of school education.

Aims & Objectives of environmental education

The objectives of environmental education is to increase public awareness about environmental issues, explore possible solutions, and to lay the foundations for a fully informed and active participation of individual in the protection of environment and the prudent and rational use of natural resources. The resolutions provide the following guiding principles for environmental education:

- The common duty of maintaining, protecting & improving the quality of environment, as a

contribution to the protection of human health and safeguarding the ecological balance;

- The need for a prudent and rational utilisation of resources;
- The way in which each individual can, by his own behavior and action, contribute to the protection of environment;
- The long-term aims of environmental education are to improve management of environment and provide satisfactory solutions to environmental issues.
- Provide opportunities to acquire the knowledge, values, attitudes, commitment and skills needed to protect and improve the environment.

Subject Areas

For effective transaction of environmental education following objectives related to knowledge, skill, and attitudes are essential:

Knowledge

As a basis for making informed judgments about the environment people should develop knowledge and understanding of

- The natural processes which take place in the environment.
- The impact of human activities on the environment.
- The comparison between different environments both in the past and present.
- Environmental issues such as: (i) The greenhouse effect. (ii) Acid rain and (iii) Air pollution.
- Local, National and International legislative controls to protect and manage the environment

Skills

Six cross-curricular skills have been identified which are necessary for environmental education.

They are

- Communication skills.
- Numerical skills.
- Study skills.
- Problem solving skills.
- Personal skills.
- Social skills & information technology skills.

Attitudes

Promoting positive attitudes towards the environment is essential if pupils/students are to value it and understand their role in safeguarding it for the future.

Encouraging the development of attitudes in personal qualities listed below will contribute to the process.

- Appreciations of care and concern for environment.
- Concern for other living things on earth.
- Independent thought on environmental issues.
- Respect for others opinion.
- Tolerance to face others views.
- Therefore, Environmental education can be thought of as comprising three linked components:
- Education about the environments (Knowledge).

Different stages of Education and Sustainable Development

Environmental education must become a vehicle for

engaging young minds in the excitement of first hand observation of the nature and understanding the patterns and processes in the natural and social worlds in order to take care of the habitat and its surroundings which becomes a major part of EE in both primary and upper primary stages of school education. In the secondary and senior secondary stages also some of the major issues such as environmental protection, management and conservation are to be dealt in more detail.

Primary stage

EE is imparted as EVS, which forms a common component of syllabus, prescribed by the States and CBSE. In Karnataka textbooks and workbooks from classes I to IV, environmental studies are in use. The textbooks for environmental studies which are prepared by N.C.E.R.T has taken cross curricular approach to teaching environmental concepts through language, mathematics about the environment. In classes I and II there is no separate EVS book. For classes III and IV, EVS textbooks are available. EE has been further reinforced under the art of healthy and productive living (AHPL) for which a single teacher's handbook has been developed for classes I to V.

The contents and concepts covered in these books are as follows:

- Familiarization with one's own body
- Awareness about immediate surroundings
- Importance of trees and plants
- Importance of cleanliness and sanitation
- Importance of celebration of festivals and national days;
- Awareness of sunlight, rain and wind
- Awareness about air, water, soil and noise pollution;
- Knowledge about the source of energy;

Upper Primary stage

The contents of textbooks present an extension and elaboration of the concepts introduced at the primary stage. The textbooks in Rajasthan and Madhya Pradesh (Classes VI-VIII) and in Karnataka (Classes V-VII) contain environmental concepts by and large in the textbooks of science and social science. The textbooks of Karnataka for class V in the subjects of science, social science and language have environmental ideas infused with these subjects. The State of Orissa, deals with the environmental concepts and concerns in its textbooks for science and geography. These are also included in a single textbook of history and civics. The NCERT textbooks of 'Science' and 'Social Science' have incorporated such concepts in the textbooks.

The major concepts dealt with in these textbooks are

- Adaptation of living beings in environment
- Natural resource
- Water cycle
- Food chain
- Importance of plants and trees in keeping the environment clean
- Role of plants and animals in environmental balance and soil conservation
- Ecosystems
- Role of microorganisms in the environment
- Care and protection of livestock

Secondary stage

The concepts of EE have been provided in the textbooks of science and social sciences in the states of Rajasthan and Madhya Pradesh. In Orissa, there are textbooks, namely science part-I (physical science), Science part-II (biological sciences) and geography. The environmental concepts both are at concrete and abstract levels. The concepts covered are:

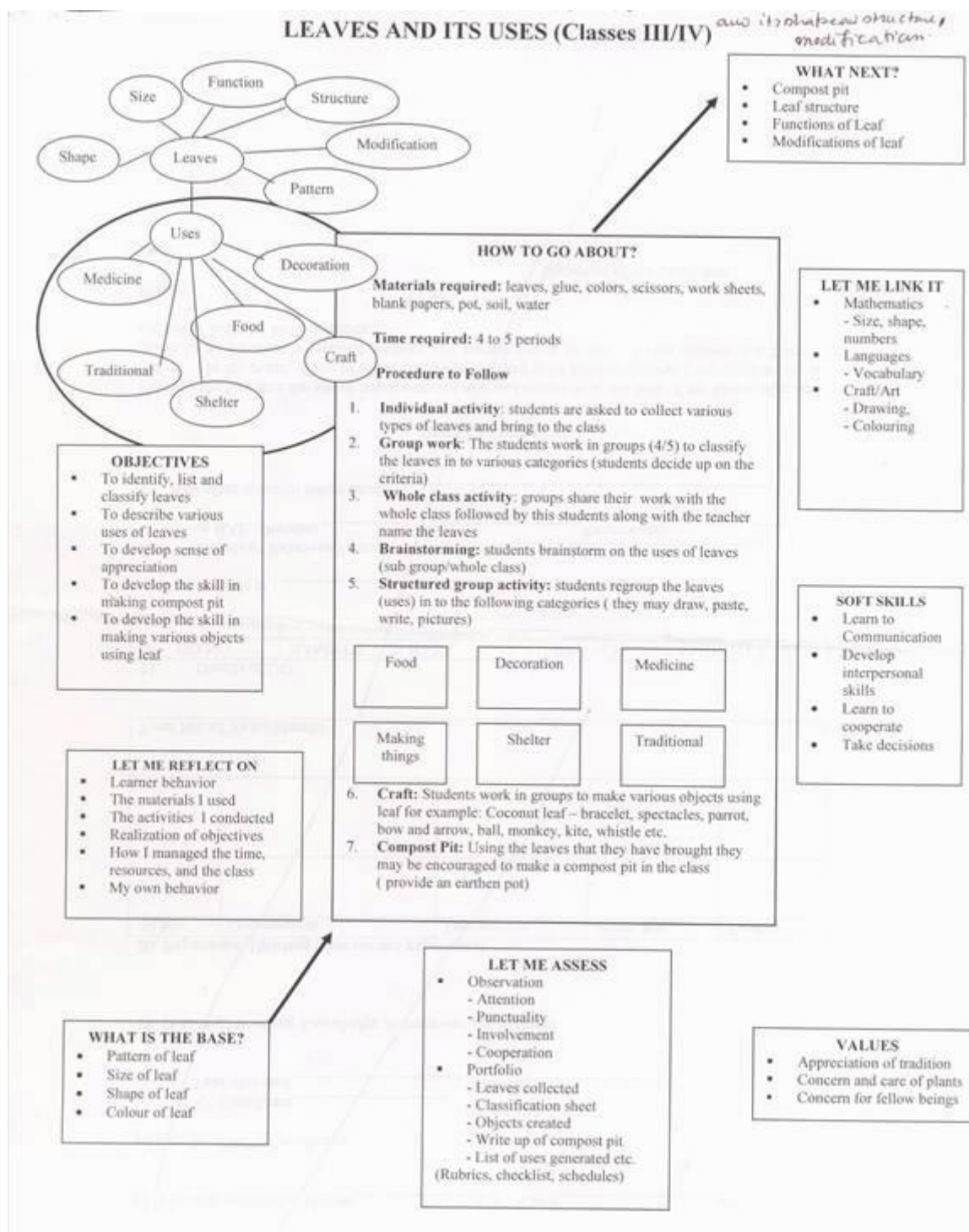
- Biosphere
- Ozone layer depletion
- Wildlife protection
- Pollution of noise, air, water and soil and control measures
- Management of non-degradable substances
- Edible and ornamental plants
- Sewage disposal and cleaning of rivers
- Environmental laws and acts.
- Environmental concepts also extend to subject areas like languages and social sciences, which reinforce learning and internalization of all such concepts.

Higher Secondary stage

This is the stage of diversification. Students opt for either the academic stream or the vocational stream. The treatment of concepts becomes deeper and more discipline oriented since the content caters to the demands of the concerned subject, as an independent discipline a comprehensive view about EE is not available in the textbooks. Majority of the concepts are found in the textbooks of biology, chemistry and geography, which are optional subjects. Students opting for any one of these subjects would accordingly benefit in different aspects of EE.

The coverage of EE concepts in the textbooks of various subjects includes:

- Environment and sustainable development,
- Water pollution- international standards of drinking water,
- Importance of dissolved oxygen in water,
- Bio-chemical oxygen demand,
- Chemical oxygen demand,
- Land Pollution.



Sustainable development and environmental sustainability

The common definition for sustainable development is as follows:

“Development that meets the needs of the present without compromising the ability of future generation to meet their own needs”

The resource base is not inexhaustible, it follows that there must exist some limit beyond which the rate of exploitation of natural resources to supply the open ended and increasing demand for goods and services will compromise the ability of future generations to meet their own needs. Therefore, it is clear that sustainable development is economic development that exclusively relies upon and is firmly rooted in the integrity and sustainability of the natural environment. National resources management has emerged in line with the evolving concept of sustainable development over the past three decades. If nature's resource base is irredeemably depleted or irreversibly degraded, the means of wealth creation for social welfare will be seriously jeopardised. Without environmental sustainability, it is impossible to achieve sustainable development.

The operational definition of sustainable global development is as follow:

“Sustainable global development requires that those who are more affluent adopt lifestyles within the planet's ecological means – for example, in their use of energy .”

Therefore, if the international community is at all serious about achieving even a modest degree of global sustainable development, its operational definition must be based on the reduction in consumption of goods and services by the affluent within and between nations. Such a definition will pave the way both to developing a simple and unique indicator to measure sustainable development and to a more equitable distribution of wealth and resources among nations.

Environmental awareness through education

Teaching methodology in schools

Over the course of the last century, the principal types of infantile diseases have evolved a great deal. For children in industrialised countries, environmentally related diseases like asthma, lead poisoning, cancer and certain neurological or behavioural problems have progressively replaced infectious diseases. Even if, in the environmental health field, it is still difficult to attribute the cause of these new diseases to pollutants or specific environmental conditions, we recognise that toxic materials are more harmful to children than adults. Children ingest greater quantities of toxins because they breathe twice as much air, consume three to four times as much food, and drink two to seven times as much water relative to their body weight, than adults. Children are thus particularly vulnerable to pollutants present in the air that they breathe, water that they drink, food that they eat and environments in which they grow, learn and play.

To protect children living in polluted regions, environmental education represents a relevant means of prevention because this type of education encourages learners' awareness of their environment's ambient conditions, as well as their active participation in solving local problems. However, ways to utilise Environmental Education in the environmental health field have yet to be developed. The students have to be invited to participate in an educational process, which includes various activities allowing them to construct *broader* (more developed) ideas on pollution and the pollution-health relationship.

Teaching methodology in Colleges

1. Curriculum development

The younger generations, students are the effective media to bring enormous changes in the society and hence educating about the environment to the young minds is the right step and also this is the right time for the same. The resource base is not inexhaustible and there must exist some limit beyond which the rate of exploitation of natural resources will compromise the ability of future generations to meet their own needs. Hence the focus must be on reducing consumption with a view to achieving sustainability. Wherever possible, strategies for reducing

consumption of energy and materials, and greater use of renewable resources, should be incorporated in design and construction.

Reasons for including moral education in Curriculum Development

- As future planners, designers, builders and decision makers, engineers shoulder special responsibility in protecting the integrity of nature and the natural environment.
- Human beings are rational creatures who have an innate need to rationalise all their actions and thoughts .Moral philosophy provides this rationale, and by doing so gives us our humanity.
- Albert Einstein’s statement “Science without philosophy is just mechanics”.

This moral education reinforces environment – respecting moral values, especially in the young through formal education.

2. Criteria for curriculum development:

- The focus must be on reducing consumption with a view to achieving sustainability. Wherever possible, strategies for reducing consumption of energy and materials, and greater use of renewable resources should be incorporated in design and construction.
- The content should be holistic, covering all essential aspects.
- Low cost technologies which are more practicable for implementation is essential.

Local, national or regional environmental issues and problems should be emphasised as appropriate and likely contributions to the environmental problems explained in accordance with the Rio slogan of “Act locally and think globally”.

3. Enhancing Research activities

In research, priority may be given for sustainable

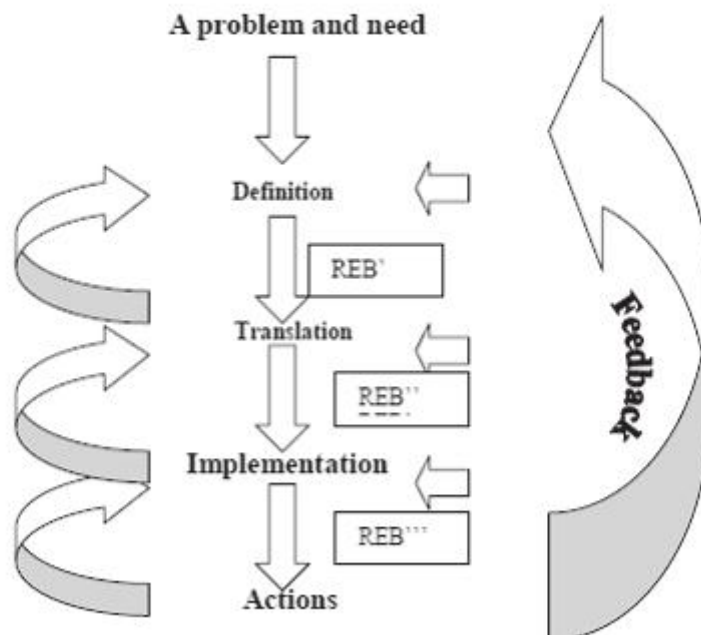
development, global change and ecosystems. The scientific and technological capacities needed for our country can be strengthened. This will be able to implement a sustainable model in the short and long term, integrating its social, economic and environmental dimensions, contributing to international efforts mitigating adverse trends in global change.

Affluent would be willing to adopt less consumptive lifestyles comparable with the Earth’s ecological capacity. The research may be centred on pollution, health and environmental action. More funds can be allotted for environmental related projects and students may be motivated by giving awards and prizes for best social impact environmental projects. The interest among the students may also be enhanced by conducting essay writing competitions.

Communication approach in responsible environmental behaviour

In everyday speaking communication is often reduced to providing information, marketing or technical means that are part of the so-called information and communication technologies. This is not what communication is about from a scientific perspective. Communication as we use it is a way of approaching and explaining processes in society. Like mathematics or economics it fosters a particular way of describing the world. It is another hole in the box through which we can look at reality, although reality can only be explained partially from our perspective.

We can define communication as “the exchange processes among the individual and group members of a given society” These processes, that involve interlocutors, codes, rules, networks, techniques and content , can represent a different point of view to observe social phenomena considering the individual level and also the individual in relation to other individuals, groups and institutions.



Conclusion

The international community is serious about achieving even a modest degree of global environmental sustainability and sustainable development. Effective policies must be implemented to curb consumption by the affluent. We need moral education to instill genuine environment respecting moral values in the young budding engineers and other specialised area students who, in their professional careers as planners, designers, builders and decision makers, will bear considerable responsibility for mankind's impact on nature and the natural environment. Conventional engineering education is no longer adequate for the real needs of tomorrow. Future engineers must acquire knowledge and skills in engineering and keep pace with rapid advances in practically all branches of engineering and other areas too. Following interventions based on observations, discussion, research, writing, reflection and idea comparison, young children seem to be able to construct the conception that pollution can be hazardous to their health, starting from the idea that pollution only constitutes visible waste. We believe experiential learning and the socio-constructivist approach, as experienced, contribute to significant learning and encourage *learning*

. This significant learning is opposed to learning 'by heart' (memorisation), an approach often used in schools.

The communication perspective opens the door to another kind of tools that environmental educators can use in order to improve the educational practice.

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Corporate Governance in CPSUs in India: An Exploratory Review

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Abstract: *The present paper deals with corporate governance practices in central public sector units in India. All over the world, public sector is perceived as lagging behind the private sector in adhering to corporate governance norms. The peculiar structure and position of central public sector units make them vulnerable to breach the good corporate governance code. The present paper aims to analyze the practices, issues, challenges and management of corporate governance practices in CPSUs in India. The study is exploratory in nature whereby it makes use of existing literature regarding corporate governance present in the form of papers, articles, reports, manuals and guidelines of various regulatory bodies to arrive the conclusion related to stated objective.*

Key Words: *Corporate Governance, Central Public Sector Units, CII, Clause 49, DPE, Issues and Management of Corporate Governance*

Introduction

Corporate governance has been an area of significance for central public sector units that make them more responsible and accountable for all the stakeholders. Corporate governance in India gained impetus after the unearthing of undesirable revelations like UTI Scam, Harshad Mehta Scam and Ketan Parekh Scam soon after liberalization. The urgency of the concept was reaffirmed after the famous Satyam's Fraud in late 2000's. Increasing investors' awareness and quest about enquiring the competency and governance of the firms they are investing in; also asks companies in India both public and private, to give importance to corporate governance. Some authors even credit Asian financial crisis that make a country like India which is prone to corrupt practices due to legal and administrative practices; realizing the importance of corporate governance (Kashyap & Tomar 2013).

In India there is a noticeable disparity between corporate governance standards in the public sector and the private sector. Public sector enterprises are subjected to whimsical intensities of government interventions even in their regular operations challenging their autonomy. Moreover, uncooperative and outdated labor laws in India make downsizing of manpower and shutting down of business operations even more difficult. It is ironical in a developing

economy like India; many PSUs which have closed down its operation long time back still possess and take care of obsolete properties and machinery and dispose salaries to their employees. In 2011, nearly one third of India's 249 state owned enterprises registered a loss of USD 3.4 billion collectively (KPMG, 2011).

There are many issues with corporate governance practices in India. In Indian corporate scenario, the majority of the shareholders exercise dominant control. In case of Public sector enterprises (PSEs), PSEs are accountable to the ministries and ought to adhere to the norms set by the Department of Public Enterprises and are subject to Right to Information Act, CAG and CVC. Thus, Public sector enterprises work in a highly complex setting. The current paper aims to study the concept of corporate governance in India, the corporate governance practices at the central public sector enterprises and explore the possibilities of combating the challenges of the same.

Corporate Governance: The Concept

Corporate governance has been defined differently by different authors. Dutta, et. Al (2012) define it as an extremely complicated and multi-level procedure which is

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laid down from organizational characteristics like culture, policies, values and ethics of the leading management and deals with how it levers the stakeholders. Fernando (2009) perceived corporate governance as the methodology to handle the problems that occur from the differentiation of control and ownership. But more or less all authors arrive at some consensus when they see corporate governance emphasizing upon internal structure and protocols of the board of directors, guidelines for dissemination of information to stakeholders and creditors, and the span of control of the management. Corporate governance safeguards ethical and efficient business management which can guarantee that shareholders get return on their investments. All Corporate governance models unanimously aim to ensure that shareholders select their representative directors, voting are done on critical decisions, there is utter transparency adopted in the decision making process, adopting accounting standards to generate better comprehensible reports, legal compliance of the land. . In the recent times, India's corporate world has experienced a lot of mis-governance and scandals have compelled the Indian firms to develop a judicious system of conducting business, standards of accountability in public administration encompassing government machinery and institutions (KPMG, 2011)

Larcker and Tayan (2011) asserts the need of corporate governance because of occurrence of numerous corporate frauds, accounting indignities, insider trading, unwarranted compensation and other recognized organizational malfunctioning which often result in lawsuits, resignations and bankruptcy. The incompetent corporate governance has resulted in the collapse of reputed firms like American International Group, Adelphia, Bear Stearns, Enron, Global Crossing, Lehman Brothers, Tyco, WorldCom, Ahold, Paramalat, Royal Dutch/ Shell, Siemens and Satyam, to name a few. All these firms witnessed an interruption of ethical management and acceded to scandals and deceptive practices. Adding to this, Kirkpatrick (2009) analyzed that corporate governance has an obvious impact on financial crisis by way of risk management systems. The failure of corporate governance makes the company susceptible to the consequences of the unnecessary risk taking especially in the financial services companies. Crowther and Seifi (2011) have acknowledged investor's protection to be central to organizational existence. In today's unsettled commercial scenario, investors are highly vigilant and stress upon adherence of precisely

worked out corporate governance principles for securing better returns on their investment and lowered agency costs. ACCA (2009) in its study have concluded that the potency of a company's corporate governance practices and protocols and the eminence of public disclosures have been gaining relevance and weightage for numerous reasons. Many studies have been carried out to establish a linkage between the corporate governance and the organizational performance (Heracleous, 2001; Lacker and Tayan, 2011, Maherr and Andersson, 1999). Kang and Shivdasani (1995) and Core, Holthausen and Larcker (1999) have attempted to identify and define a distinct relationship between corporate governance and, market value, credibility and organizational performance but there was no tangible established relationship determined.

Objectives of the study and Methodology

The primary aim of the study is to analyze the corporate governance practices in the central public sector enterprises of India and identifying its strengths and weaknesses with the backdrop of the challenges and complexities associated with it. As study is exploratory in nature, the data was collected from various secondary sources and presented under various heads. To be precise, the study aims to answer following research questions:

- To analyze the present state of affairs of corporate governance in Central Public Sector Units in India.
- To study the legal framework and its guidelines thereof pertaining to corporate governance in India.
- To review and evaluate the issues and management of Corporate Governance in India.

Corporate Governance in CPSUs in India: A Review

The corporate governance framework introduced in India is fundamentally based on Anglo-Saxon Model of governance, which has various limitations in terms of applicability so far as Indian environment is concerned. Further the complication lies in the weak enforcement of corporate governance regulations through Indian legal system (Pande and Kaushik, 2011). In state run public sector enterprises there is control of the government

presenting intrinsic governance challenges that add to pitiable performance. As a result, corporate governance of public sector enterprises remains a major challenge in several economies including India. In India, the government owns or controls interests in major sectors, comprising of infrastructure, oil, gas, mining, and manufacturing sectors (Som, 2013). Board of directors for a central public sector unit comprises of government, functional and independent directors. Government directors are appointed by the concerned minister. The board of central public sector unit identifies and prioritizes the areas of strategic and commercial importance for the firm. India follows single tier system of board of directors having dependent and independent directors whereas some other countries like Germany follow two tier system for board of directors (KPMG 2010). DPE guidelines clearly differentiate between management and board of public sector units along with unambiguously mentioning the roles and responsibilities of various directors on board. Board of public sector units is given freedom in choosing the board agenda and objectives that satisfy the various stakeholders of public sector units. Clause 49 of SEBI's listing agreement directs the listed companies to have half of its directors on the board as independent if chairman of the board is executive director whereas this number is one third if chairman of the board is non-executive director (Kashyap & Tomar 2013). Board of public sector units should not employ majority of people attached directly or indirectly with the company. Shareholders in the listed public sector units are given freedom in choosing the representatives in the form of board members that represent them in the organization. Role of independent directors can't be undermined for the fair and ethical working of the company. Non-executive directors perform the supervisory function for a firm by utilizing their specialized knowledge in the particular domain and providing an unbiased external perspective to the firm's decision (KPMG 2010). Non-executive directors take decisions in the favour of the shareholders. Non-executive directors hold special meetings with the board to discuss important issues and make valuable contribution. Chairman of the board also plays an important role in implementing corporate governance in public sector unit. Often in public sector units chairman plays dual roles of both chief executive officer and chairman. Clause 49 of SEBI's listing agreement however asks companies to do away with this duality. Appointment of CEO and Chairman separately endows boards with balance of power

that ultimately promotes effective independent decision making in public sector units (SHARMA & Gupta 2012).

Boards of central public sector units are granted autonomy that makes them enable to take decisions on their own regarding issues of strategic importance with consultation with the respective ministry (KPMG 2010). Autonomy to these boards was granted to avoid the unnecessary delay and hindrances that ultimately affect the productivity and efficiency of the public sector units. However these boards can exercise their autonomy only with the required numbers of independent directors.

Central public sector units are required to make the full disclosure to the shareholders. Clause 49 of SEBI's listing agreement directs the company to hold annual general meeting, taking the consensus of shareholders and providing prior information to the shareholders seeking their consent for any strategic decision. Clause 49 demands for specific corporate disclosures in case of related party transactions, accounting treatment, risk managements, proceeds from share issue, remunerations of directors and composition and background of the directors on board (Kashyap & Tomar 2013). SEBI has also made provisions for e-voting for shareholders of the company that removes the geographic constraints of voting. SEBI through Clause 49 directs the listed companies to constitute committee headed by non-executive director for investors' grievances. It has also mandated companies to handover the authority of share transfer process to either an officer or registrar. Comptroller and Auditor General of India and Department of Public Enterprises provide detailed annual performance reports to general public and parliament. CAG report contains information about capital structure, market capitalization, return on investment, profit, dividend, net worth and losses of the company. It also briefs people about the findings of CAG and other audits including sustainability aspect conducted or central public sector units. DPE report focuses mainly on revenue, productivity, research and development and investment. DPE reports also inform general public about the contribution made by CPSUs to budget, foreign exchange and chosen policy areas of government. Almost every CPSU through its website makes people aware about the product and services it renders, its history, management, important projects and social responsibility initiatives taken (SOM 2013). Any individual can sought the specific information he/she wants by making use of RTI Act, 2005.

Central Public Sector Units must see corporate governance practices as an opportunity to make their system more vigorous rather than a compulsion and extra. CPSUs in India operate in India differently from private sector. CPSUs operate in an environment having specific characteristics like government's inference, ministerial diktat, delays in appointment of independent directors, non-compliance to disclosure norms, accountability to both general public and government etc. There are issues related to autonomy, salary of the non-executive directors, willful engagement in low productive exercises, overriding ministerial agenda over board agenda, honesty of the audit committee, support extended to audit committee and compromising the minority shareholders' interest etc. Implementing corporate governance in such situations can only help central public sector units excel in their respective field. Companies with good corporate governance in place get easy access to capital in the marketplace. Investors both individual and institutional invest in companies having transparent and accountable approach in their working. Good corporate governance practices have been found instrumental in raising efficiency and growth of the organizations (Kashyap & Tomar 2013). So, time has come to accept corporate governance as archetype of corporate excellence that helps corporate boost investors' confidence, public' trust and practicing ethicality in day to day working. There is a definite need to have moderate regulatory regime with strong code of ethics with utmost intensions of willfully adopting corporate governance practices.

Legal Framework for Corporate Governance

CPSUs in India are being governed by legal framework, Clause 49 of SEBI's Listing Agreement, Companies Act, 1956 and Department of Public Enterprises' guidelines. Beside this regulatory framework, working of public sector units is overseen by Ministry of Corporate Affairs, Comptroller and Auditor General of India (C&AG), Central Vigilance Commission, administrative ministries, and Competition Commission of India (SOM 2013). Clause 49 is being considered a milestone in corporate governance journey of the country. SEBI adopted and implemented the recommendations of Birla Committee in the form of Clause 49 (Kashyap & Tomar 2013). Given below is a brief note on CII code on Corporate Governance, Kumar Mangalam Birla's Committee Report on Corporate Governance and Clause 49 of SEBI's Listing Agreement.

Confederation of Indian Industry (CII) has been incredible in fostering growth of corporate governance practices in India. CII released voluntary code of corporate governance in 1998 that paved the path of corporate governance's journey in India. CII credits itself as the forerunner of corporate governance in India as CII took the lead in recommending voluntary code of corporate governance for its member companies. In 1998, CII published task force's report entitled "Desirable Corporate Governance: A Code", under the chairmanship of Mr. Rahul Bajaj; then Chairman & Managing Director, Bajaj Auto Limited, that detailed voluntary recommendations regarding best practices of corporate governance for listed companies. CII's guidelines given in 1998 made significant contribution towards Kumar Mangalam Birla Committee's Report and Clause 49 of SEBI's listing agreement (CII Report 1998). CII along with three professional institutes namely the Institute of Chartered Accountants of India, Institute of Company Secretaries of India, and the Institute of Cost Accountants of India; provides comprehensive policy advocacy aiming at efficient and harmonized regulatory environment in the country. CII gave the minimal definition of corporate governance as practices dealings with laws, procedures, practices and inherent rules that establish a company's ability to take managerial decisions with respect to its stakeholders. The code was envisaged primarily for listed companies as these companies are largely bestowed by the investors' money. The objective of corporate governance was adopted as 'maximizing the long-term shareholders' value'. The major recommendation made concerned board of directors, number of non-executive directors in board, audit committee, sharing of key information with shareholders, observing transparency, capital market issues and creditors' rights (CII Report 1998).

CII's voluntary code gave utmost importance to board of directors. It advocated for a competent, excellent and professionally acclaimed board of directors having sufficient number of non-executive directors who would honestly discharge their duties towards shareholders and creditors. CII opined not to reappoint directors on the board if they fail to attend half of board meetings. It was recommended to have at least 30% non-executive directors on board in case of non-executive chairman whereas this limit was set at 50% in case of executive chairman. CII dismissed the idea of having two-tiered board of structures. Board's frequency of meeting was decided at an interval of every two months. Non-executive

directors were advised to be active participants in the board, having clearly defined agenda and responsibility. It was also expected to have financial acumen for non-executive directors. However in 1998 also, CII felt that fees paid to non-executive directors was less to invoke serious commitments for the organizations they work for. So, it was recommended to pay commission and offer stock options to the non-executive directors. Non-executive directors are normally dependent upon management for information required to take vital decisions. So, it was recommended that information like annual operating plans and budgets, quarterly results, internal audit reports, show cause, demand and prosecution notices received from revenue authority, fatal or serious accidents, default in payment of interest, non-payment of inter-corporate deposits, public or product liability claims of a substantial nature, details of joint venture or collaboration agreement, transactions involving substantial payment, recruitment and remuneration of senior officers below the board level, labour problems and their proposed solutions and quarterly details of foreign exchange exposure should be made available to the non-executive directors (CII Report 1998).

CII, almost 16 years also understood the importance of audit committee for monitoring the performance of the corporate. It advocated institution of audit committee for a firm having turnover of more than 100 crores of paid up capital of 20 crores. It asked for framing a committee having at least three members; all non-executive directors. Audit committee was supposed to provide an unbiased review of information pertaining to corporate accounting, reporting practices, financial and accounting controls, financial statements and public issue proposal of security to the board of directors. Audit committee was suggested to periodically interact with internal and statutory auditors. CII also insisted stock exchanges to have a signed certificate from the CEO of the company stating the integrity and fair presentation of the financial statements and other information in the Annual Report, conformance to the standard accounting practices and verification of the internal accounting and administrative controls systems. Voluntary code also focused on disclosure of financial and non-financial information, role of creditors in the company and credit rating agencies (CII Report 1998).

CII's voluntary code primarily focused on creditors and shareholders; whereas Kumar Mangalam Birla's

Committee on Corporate governance; constituted by Security Exchange Board of India in 1999 under the chairmanship of Kumar Mangalam Birla, member SEBI Board; focused on stakeholders. Corporate governance's objective as per committee was decided as 'enhancement of shareholder value, keeping in view the interests of other stakeholder'. Committee advocated for a mandatory code rather than the desirable or voluntary code to make the concept of corporate governance effective in India. Shareholders, Board of Directors and Management were recognized as key constituents of corporate governance (Kumar Mangalam Birla's Committee Report 1999).

The committee mandated all the listed companies to have a corporate governance section in the annual report detailing all important corporate governance practices like information about board members, their qualifications, salary, important financial disclosure, audit report and delineation from the general practices if any and reasons thereof.

SEBI's Clause 49 of listing Agreement came into existence in 2005 that made it mandatory for all the listed companies to follow guidelines issued by SEBI regarding corporate governance. SEBI's Clause 49 was almost a culmination of the earlier committees. Important changes made to the corporate governance included incorporating the definition of independent directors, strengthened audit committee, improved financial disclosure quality, adoption of code of conduct by Board of directors and management, required certification from CEO or CFO for financial statements and improved disclosure to shareholders. It had some non-mandatory requirements also regarding term of independent directors which was pegged at not more than 9 years and whistle blower policy (SEBI 2005). In 2014, clause 49 was amended and it was made mandatory for all the listed companies to have one woman director on board.

Apart from these guidelines based on the recommendations of various committees government of India's Ministry of Corporate Affairs also gives voluntary guidelines to follow for all the companies. Ministry disseminated the voluntary guidelines in 2009 after keeping in mind the recommendations given by various committees and suggestions received from stakeholders. Ministry expects all the companies of public and private sector to follow these guidelines and bring excellence in their work. The

guidelines have been deliberately kept as voluntary as some companies might not be able to follow the mandatory recommendations due to some genuine reasons(MCA 2009). But; ministry hopes all the companies in India would follow and adopt these guidelines in near future. The guidelines of MCA incorporate recommendations about whistle blowers policy in the company. The recommendations encourage companies to set a mechanism where wrong doings of a company can be exposed by the employees of the company. MCA recommends company to safeguard the whistle blower and give him/her the direct access to the chairman of the board(MCA 2009).

Issues of Corporate Governance in India

KPMG's 2010 working paper states '70 percent of central public sector units are profitable. About 25% of total market capitalization of Bombay Stock Exchange is being contributed by 44 listed CPSUs'(KPMG 2010). The market capitalization ratio of public sector units to the total market capitalization is the highest in the world(Chattopadhyay 2011). Central Public sector units in India proved themselves as vibrant and profitable ventures by successfully defying the challenges of events like globalization, disinvestment and sub-prime crisis of late 2000's carrying worldwide effects. CPSUs in India have been successful on various fronts like financial performance, human capital management and risk management; that are essential for an active commercial player. Beside these vital parameters judging financial capability, public sector has been instrumental in reducing concentration of economic power and increasing public control over resources of national interest which ultimately created a socialistic pattern of governance(Chattopadhyay 2011). Prime responsibility of setting corporate governance in place in central public sector units lies with the government being the largest shareholder especially in areas like oil, gas, mining, infrastructure and manufacturing. Government has taken a series of steps to improve corporate governance in public sector companies like economic reforms, disinvestment, grant of greater autonomy and incorporation of performance implementation system(SOM 2013). Government has also facilitated the crafting and implementation of voluntary corporate governance code and Clause 49 of SEBI's Listing Agreement that provide guidelines to all the central public sector units about corporate governance. Moreover, Department of Public Enterprises also issues corporate

governance norms that are mandatory to follow from 2010 onwards for all listed and unlisted public sector units.

Managing corporate governance in central public sector units has been a challenging task for number of reasons. First and foremost is the role of government in public sector units. Public sector units act as agents of the government working for the benefits of its owner i.e. general public. Government as a principal doesn't have complete knowledge about market and technology and agent makes costly hit and trial mistakes(SOM 2013). Normally Public sector units work over less profit margins and more towards social benefits; so deliberate risk aversion is being observed in public sector that makes them it less productive than actual (Chattopadhyay 2011). Moreover there remains confusion over commercial and social objectives for a public sector unit. The owner of the public sector units in theory is general public but in reality these are bureaucrats dictated by their respective ministries. It is difficult to ignore the interference of the government in day to day functioning of CPUs. Complete autonomy is not granted to the board of public sector units and unnecessary hindrance is created in the functioning by various ministries(Chattopadhyay 2011). Ministerial agenda overrides the board's strategic agenda and irregularity is observed in the appointment of non-executive directors on the board. Lack of effective monitoring and competition make the public sector units less effective.

Accountability also has been a challenge in many public sector units. Many of the public sector units have not been compliant with the minimum disclosure requirements of Clause 49 of the SEBI Listing agreement. But nobody is being held accountable. Central Public sector units have always been deficient in terms of number of non-executive directors. Non-executive directors play an important role in ensuring transparency and accountability of the CPSUs to its stakeholders. Non-executive directors through their autonomy and external perspective can direct the CPSUs to be more responsible to its stakeholders. Independent directors are selected by Public Enterprises Selection Board that works under Department of Personnel and Training. Final appointment of independent directors is made by the appointment committee of Cabinet(Khattar 2006). Presence of multiple layers in selection process, looking a candidate from private sector only and less compensation given to non-executive directors are the

reasons that make the selection of non-executive directors a lengthy and difficult task. Risk management is many a times sidelined by the central public sector units. These units get access to unhedged foreign loan at cheaper interest rate, which in turn makes the system vulnerable to risk(SOM 2013).

Minority shareholders in central public sector units have been given rights like disclosure of information, receiving notices, participating in the general shareholders meeting, transferring their shares and receiving dividends(SOM 2013). They can appeal to Ministry of Corporate Affairs or SEBI in case of any discrepancy noticed. In spite of these provisions, major decisions can be taken without the consent of the minority shareholders because of 51% shareholding of the state and based on the provisions of Department of Public Sector Enterprises. Special provisions in Company's Act also reinforce the role of government of India and limit the role of non-state stakeholders. Buy back of shares and cross holding between CPSUs are some of the activities in which public sector units are commonly indulged in and which benefits the controlling shareholder rather than the minority shareholders. Coalgate Scam in the regime of UPA government is a prime example where minority shareholders' interest was foregone for the vested interest of the lobbies of ministers and industrials.

Audit provides an external examination of all the activities of the firm with an objective to ensure the transparency in the working of the organizations. Clause 49 advocates an independent audit committee for an unbiased review. Here also Central Public Sector Units lack when they appoint the retired personnel from the public sector units in the name of an audit committee. The audit committee hence formed conducts a futile exercise giving suggestions of no use. Here independent audit committee as per corporate governance norms can actually provide some useful suggestions that can help these companies improve their bottom lines.

Management of Corporate Governance in CPSUs in India

Central Public Sector Units in India need to do away with issues restricting the easy implementation of corporate governance. Listed CPSUs generally required abiding by the SEBI's guidelines for transparency and disclosure guidelines. Still, there are many CPSUs that don't

comply with the clause 49 of SEBI's Listing Agreement. Corrective and coercive action should be taken against these companies and board should be held accountable for non-compliance(KPMG 2010). Unlisted central public sector units now should also follow the corporate governance guidelines laid down by department of public enterprises which have been mandatory to follow since 2010. Central Public Sector Units should adopt the voluntary code of corporate governance given by ministry of corporate affairs and lead the way for other private and state public sector companies.

Non-executive directors on the boards of CPSUs should be appointed without much delay as non-executive directors' contribution in ensuring transparency and accountability in public sector units can't be overlooked. The obligation of appointing non-executive directors from public sector units only should be done away and people with pertinent attitude, qualifications and vision should be given place on boards without any biasness towards public sector only. Due consideration should be given to the remuneration given to non-executive directors as remuneration for non-executive directors in CPSUs has been found significantly less than given in private sector(KPMG 2010). Low remuneration proves a potential deterrent in appointing right people on board. CMD of the board should be consulted before appointing the board members; which normally is not the practice currently followed. Concerned ministry plays an active role in appointing board members that results in bulky and less effective board(SOM 2013). It is also essential to simplify the selection process by eliminating the multiple layers involved in selection of board members. Factors like industry knowledge, roles and responsibilities, training and compensation should be given weightage while selecting board members. Evaluation of the board should also focus on overall functional efficiency of the board rather than a witch hunting exercise aiming at few members. Moreover functional directors of large CPSUs can be appointed as non-executive directors in small public sector units.

Government's policy of keeping CPSUs in arm's length distance is also a big hindrance for ensuring good corporate governance in public sector units(Swain 2013). Government's inference is observed in day to day working of the public sector units. Although autonomy has been granted to CPSUs; but decisions of strategic importance like compensation, hiring senior level executives,

approving projects and performance management systems need to be approved by the government. There is a dire need to close the gap that exists between autonomy granted and autonomy availed by CPSUs. Government's intervention must be kept to the minimum except in the matters of national interest.

Corporate governance's major problem in India deals with disciplining the dominant shareholder and protecting the minority shareholders. CPSUs in India are normally blamed for ignoring the minority shareholders' interest due to its complex ownership structure. Government of India which is the controlling shareholder through tunnelling; transfer the funds of profit making company to another public sector unit requiring funds; thereby ignoring the interest of minority shareholding (SOM 2013). So, it is advisable for CPSUs to clearly communicate its ownership policy, its implementation and likely impact of policy implementation on various stakeholders including minority shareholders. It is also important to discuss the issues that might impact minority shareholders at length in board meeting well in advance. Non-executive directors should also seek detailed report from the management on decisions impacting minority shareholders and make an informed decision. Constitution of audit committees by CPSUs can also boost the minority shareholders' confidence in the company. Most importantly, CPSUs should respect the rights of shareholders and motivate them to participate in decision making of the company.

CPSUs should have an honest approach towards audits and consider it an exercise aiming at improving performance and promoting excellence rather than looking at it a fault finding exercise (Khattar 2006). They should extend full support to the audit committee. Auditors should also interact extensively with other audit committees of the CPSUs at regular intervals. CPSUs should constitute the internal audit committee with a view to improve performance and unravel discrepancy in financial reporting if any.

Ethical decision making in public sector units also leads the way for good corporate governance. Every organization has some values or beliefs regarding how it should be run and which virtues it should monitor across its entire range of activities and processes. Relying on corporate values helps the organizations taking the optimal decision benefitting all the stakeholders. CPSUs should be ethical in its behaviour while complying with the law,

dealing with the minority shareholders, performance appraisal, and engaging in day to day activities of the organization (Tiwari 2011). Ethical decision making should not only be practised by the people on top, but it must be appreciated and well conceived by every employee of public sector unit. It is equally necessary to have a holistic view of firm's operations, and commitment towards social responsibility and environmental protection.

Conclusion

Central Public sector units in India have been greatly impacted by corporate governance given their peculiar system. India has comparable corporate governance standards to the best international practices; but key to successful corporate governance lies in successful implementation (Swain 2013). Reduced government interference, complying with guidelines of SEBI, DPE and MCA, appointing well qualified directors on board without delays and government's interference, fair compensation to directors, constitution of audit committees, ensuring transparency and disclosure, protecting the interest of minority shareholders and ethical behaviour are the actions required on the part of central public sector units that make them excel in the area of corporate governance.

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Ergonomics at Workplace: A Human Resource Initiative to Increase Wellness

* Dr. Shaily Saxena

Abstract: *Since recent times ergonomics has become a major area of consideration in the managerial theory and practice. It is also considered as a major component of the human resource management and an important factor contributing to productivity. Ergonomics is the link between efficiency, effectiveness, security and health and in this context it is necessary to approach the ergonomics and its impact on the process of the organizational development and on the employees. The link between ergonomics and Human Resource Management is important and it is therefore necessary to analyze its impact on the organization. It is also important for the leaders to understand the repercussions of poor ergonomics on the productivity of the employees. Therefore, ergonomics must become one of the major interests of the managers.*

Key Words: *Ergonomics, HRM, Employee safety, Productivity.*

Introduction

The field of ergonomics focuses on man and a large number of factors play a role in ergonomics, while designing work with minimum limitations and higher productivity. These factors can be studied as body posture and movement, environmental factors (noise, vibrations, and illumination), information and operation etc. Employee safety, health, comfort, and efficient performance at work can be attributed to a careful consideration to these factors.

“Ergonomics (or human factors) is the scientific discipline concerned with understanding of the interactions among humans and other elements of a system, and the profession that applies theory, principles, data and methods to design, in order to optimize human well-being and overall system performance”.

Good working conditions present a strategy for attracting and retaining high quality employees. The need to attract people to manual assembly jobs in Sweden was one of the driving forces of production system innovation away from traditional Taylor line production toward new more productive and attractive solutions. Human Resource Management (HRM) departments have long been held responsible for employee welfare, even though they tend

to have little responsibility for work system design. The gap between human resources and operations management (OM) has been noted and presents a challenge for the design of work systems that are motivating and productive. While many HR strategies exist there is a need to link HR with Operations Management to design workplaces that are conducive to employee health and safety on one hand and are responsible for increasing productivity on the other. ‘High Performance Work Systems’ (HPWS) have shown themselves capable of increasing organizational performance, but appear to operate on the HR side of the HR-OM gap. Ergonomics could make the link here.

Research Objectives

The present research has been undertaken with a view to understand ergonomics and the various linkages between ergonomics and Human Resource Management which focus on employee health and productivity. The paper also emphasizes the need to maintain the health and safety of the employees at the workplace. Moreover, Practice of Human Factors should be there as a corollary study as proper design can make a difference in our quality of life. One of the resources to win trust of employees is making

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appropriate ergonomic acceptable working conditions, with using of ergonomics principles in ergonomics program. Very important is evaluation of health effect and cost benefit. In this paper an attempt has been made to study the factors which are responsible for ensuring the safety of the employees and thereby increasing productivity and wellness.

Review of Literature

Recent studies show that a safe working environment requires more than just ergonomically designed furniture, suggesting that training and behavioral cues may be required to address the ergonomic challenges of today's office worker. (Davis, K. Kotowski, S., Sharma, B., Herrmann, D. and Krishnan, A 2009). On the basis of a number of recent critical reviews of the literature (Burdorf, 1992; Winkel and Mathiassen, 1994; Hagberg et al., 1995; NIOSH, 1997; Punnett and Bergqvist, 1997) many types of musculoskeletal disorders have substantial work-related component. There is strong evidence that low back disorders are associated with lifting, high exertion and awkward back postures (e.g. Punnett et al., 1991; Marras et al., 1993). Studies indicate just how alarming those consequences can be: a cross-sectional study in 2000 indicated that 41% of university students experienced pain and discomfort symptoms while using a computer; by 2008, more than 50% of surveyed university students experienced pain they attributed to computer use. The study shows that the potential exists for more than 2.5 million students to develop injuries to the upper body, arms and back (upper extremity musculoskeletal disorders) before they even enter the workforce. (Jacobs, K. Foley, G., Punnett, L., Hall, V., Gore, R., Brownson, E., Ansong, J., Markowitz, McKinnon, M., Steinberg, S. and Ing, A. (2011)

The Problem of Traditional Ergonomics

In an essay in a management journal, the sociologist Charles Perrow argued that the problem of ergonomics is that there are not many ergonomists working in companies. Moreover they have no control over budgets and people, and that they are seen as protectors of workers for the simple reason that they blame the designers and managers of the systems for the errors that take place. Hal Hendrick, the former president of the International Ergonomics Association (IEA) is of the opinion that ergonomists

if employed by the organization wrongly presume that others are convinced of the importance of ergonomics, and that the benefits of ergonomics are not well documented. There could be several reasons why ergonomics is not implemented. The common perception about ergonomics is to design chairs, ergonomics is common sense, and that organizations first design the technical system and then consider ergonomics. From a business and management perspective, ergonomics is an alien discipline that is not embedded in the organization but associated with costs, sickness absence, disorders and pain. However, ergonomics contributions beyond health and safety are not really understood, and are foreign ways of thinking in the business world. Therefore it is argued that the desired situation can only be realized if ergonomics can show that it can contribute to company strategies. Thus, top managers and other stakeholders should know about strategic opportunities provided by ergonomics to reach core business goals. Simultaneously, improvements of the employee's quality of working life can be realized.

Risks at Workplace

Both manufacturing and non-manufacturing type employees face ergonomic risks. Ergonomic injuries are probably the greatest risk faced by a non-manufacturing type employee. Within an office typesetting, the biggest ergonomic risk comes from computer use. Industrial type ergonomic risks include working in an awkward position and repetitive movements, including shoveling and raking. The nature of Generation Y and its effects on the workplace has been into much debate. It has been concluded that this generation, which spends an astounding 7.5 hours a day on electronic devices, is inherently more technologically able than its predecessors. However, one thing is certain: the intensive use of electronic devices by members of Generation Y has broad consequences for their long-term health and for the organizations that employ them.

Ergonomics at work

The impact of techniques and technologies to the employees at work in current development and progress can project especially in the area of human resources. In this area parameters for securing ergonomics sustainability of human – machine system should be explored. The various strategies for designing ergonomics are:

1. Workspaces must encourage a wide range of work postures through furniture, training and reminders. Organizations need to make it not only possible for workers to vary their postures (through furnishings), but also to make it easy (through training, software, reminders—and a “safety” culture).
2. Casual lounge furniture allows workers to naturally assume healthy work postures. A recent research indicates that employers planning such workspaces are providing low-stress computing positions can be achieved using non-traditional furnishings.
3. Employees could be encouraged to assume a wider range of postures in traditional spaces by thoughtful selection and placement of monitor arms, and training on their use. Software prompts could coax employees out of their chairs, for example, suggesting a brief walk or just a change in posture.
4. If employees are issued a laptop to work from home or other off site location on a regular basis, consider supplying the employee with an external keyboard, mouse and monitor. Laptops are not designed for extended use at a fixed location.
5. Risks arising from computer use generally arise from poor body position in relationship to the height of the chair, keyboard, mouse and monitor. Secondary is the risk from uninterrupted, repetitive key strokes. Employees permanently assigned to a workstation should undergo a workstation evaluation. If multiple employees use one workstation, the workstation should be fully adjustable.
6. Organisations going for prototyping seek to involve users at several stages of design, in order to correct problems as they emerge. As prototypes are developed from the design process, these are subjected to other forms of analysis and the results are then taken and incorporated into the new design. This can become a costly process, and needs to be done as soon as possible in the design process before designs become too

concrete.

Role of the Supervisor

Ergonomics should be a part of the everyday language of the supervisor. To promote an ergonomically healthy workplace, supervisors should:

- Learn the ergonomic risk factors for the jobs in their unit and how these risk factors can be minimized.
- Office planners should assume that many Generation Y office workers are entering the workforce with existing injuries.
- Supply ergonomic training to their employees.
- Encourage employee input into solving ergonomic related issues and problems.
- Designate a peer evaluator for their work unit and then support the person by providing the necessary time and resources.
- Secure ergonomic appropriate furniture and tools for their employees.
- Promote periodic scheduled stretch breaks and frequent, short mini-breaks as well as alternative work activities when necessary.
- Encourage staff to report pain and discomfort symptoms early.
- It is always more cost effective and morale boosting to identify and proactively address areas of high risk before an injury results. Injuries are costly and demoralizing.

Conclusion

The importance and impact of socially responsible HR is an essential part of the modern understanding of the ergonomics. In terms of sustainability ergonomic program is needed to pay attention to ensuring and maintaining employees in accordance with ergonomic requirements (planning, acquisition, selection, deployment, training,

adaptation, evaluation, motivation, retraining). It can be concluded that successful sustainable ergonomic program based on the participating principle can on the one hand improve efficiency of human work, and on the other hand it can reduce occurrence of health problems and diseases associated with poor ergonomics. This can also contribute to savings of funds in the health sector and thus contribute to solving the problems of financing health care. For many ergonomists it means a paradigm shift, which requires a repositioning from health ergonomics to business ergonomics. Ergonomics can also contribute to many different company strategies and can support the objectives of different business functions. By contributing to the shared goals of business performance, ergonomists will also be better able to reach their traditional health objectives.

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FIIs Positive Feedback Strategy: A Case of Indian Stock Market

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Abstract: *This research paper examined the positive feedback trading behaviour of FII's in Indian stock market by using monthly data from Jan. 1993 to Dec. 2013. The issue assumes much relevance in the context of the almost non existing literature on this issue and recent impacts of global financial crisis on India. Our results do not support the information revelation hypothesis and the existence of positive feedback strategies followed by FIIs on monthly basis in Indian environment. It seems that FIIs do follow their own monthly trade. Further, the trading horizon is not a month, it may be a day. Interestingly, Granger Causality test provides the evidence of bi-directional causality running from FIIs flows (Gross Purchase/ Gross Sales) to Sensex returns. This shows that Indian Sensex returns both determines and determined by the volume of FIIs. In other words, we can say that FIIs activity by purchase or selling in Indian stock market causes movements in Bse Sensex and the stock price movements cause foreign investors to purchase or sell Indian stocks. The Foreign institutional Investment Flows have the potential of influencing the process of economic development of India and having the positive impacts on macro-economics fundamentals of the country. Therefore, the outlook is that the Indian policy makers should provide the FII's with more opportunities and reasons to invest in Indian markets by suggesting and implementing prudential norms.*

Key Words: *Foreign Institutional Investment, Positive Feedback Strategy, Indian Stock Market*

Introduction

East Asian Crisis 1997 and Global Financial Crisis 2008 (engulfed not only Asia and United States but also spread to countries as distant as South Africa, the Czech Republic, Brazil, India, China and so on. This spreading of crisis might be due to financial integration. There is evidence that banks, for example, were played an important role in spreading the 1997 crisis. Further, portfolio investors have also been scrutinized, particularly institutions such as hedge funds, pension funds and mutual funds (Kim and Wei 1999, Frankel and Schmukler 2000, among many others). A common conclusion is that institutions sometimes panic disregarding fundamentals, and spreading crisis even to countries with strong fundamentals.

This paper contributes to this literature on financial integration by examining the trading strategies of an important class of investor viz financial institutional investors (FIIs) in Indian context. It is generally argued that foreign portfolio investors and the major players there in i.e. FIIs may have been positive feedback traders (e.g. rushing to buy when the market is booming and rushing to sell when the market declining). There is a growing body

of research that studies the relationship between capital flows and equity returns (Choe et al, 1999; Froot et al, 2001; Clark and Berkowitz, 1996; Richards 2002; Griffin et al 2002). They examined whether foreign investors are return chasers? Investors who base their portfolio decisions on the expectations, which are in turn based on past returns, are termed as positive feedback or return chasers traders. The positive feedback trader's hypothesis posits that foreign investors (FIIs in our case) move money into the market in response to the increasing returns at the market, that is, the flow must lag returns. On the other hand, negative feedback trading suggests that investors buy when prices are low and sell after price increase.

Some researchers (like Froot et al 2001), Clark and Berkowitz (1996)) examined the effect of FIIs flows on stock returns. They find that increase in capital flows raise stock market prices, but disagree on whether the effect is temporary or permanent. If the increase in price is temporary, it may be just a reflection of price pressure.¹

India is considered as one of the leading economies

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in the developing world experiencing success story of globalization. This success is reflected in the high and sustained rates of growth of aggregate and per capita national income; rapid expansion of (services) exports, substantial accumulation of foreign exchange reserves; and the absence of major financial crisis that have characterized a number of other emerging markets. As a result of economic liberalization measures, there has been tremendous increase in capital flows into the country. Since the early 1990's, the effects of reforms measures have been very different across time. In the period between 1993 to 2003, there was a positive but moderate increase in the average volume of capital flows. But after 2003, there has been an absolute surge. The perception of India as an 'emerging economic power' in the global system derives whatever strength it has from developments during the last five years when India, like other emerging markets, has been the target of a surge in capital flows from the centre of international finance. Additionally, India has recently emerged as a leader among these markets.

In spite of the fact that FIIs have become integral part of the Indian capital market and that there are strongly held views on their trading behavioural biases, little empirical analysis on this aspect in Indian context has been undertaken. The existing empirical literature focuses largely on stock/firm analysis, our study has broader coverage as we cover period from 1993-2013. In addition, we attempt to examine aggregate FIIs trading in India rather than stock level trades of individual investors. Further, we include all the FIIs rather than one subset of FIIs as has been the case in earlier studies relating to positive feedback strategy.

In this research paper an attempt has been made to develop an understanding of the trading behaviour, particularly positive feedback strategy, of the FIIs in the Indian stock market.

The rest of the paper is organized as follows. Data and their sources are presented in Section 1.2, methodology followed to analyze the data is presented in Section 1.3, and Section 1.4 explains empirical analysis and findings and conclusions are presented in Section 1.5.

Data and their Sources

This research paper examined if FIIs follow positive feedback strategy in Indian context and for this purpose, we consider two variables viz FIIs flows (Gross Purchases, Gross Sales and Net Investment) and Bombay Stock

Exchange Sensex Returns from Jan. 1993 to Dec. 2013 (Monthly data). The above time period was considered for two reasons;

1. Indian stock market witnessed an exceptional rise in trading volumes and stock indices during this time span.
2. As a corollary of gradual and steady reforms, the FIIs investments started to amplify since then.

The FIIs flows data is taken from SEBI website and data of BSE Sensex Closing Values is taken from BSE website. BSE Sensex Return is calculated as follows:

$$r_t = \ln(P_t/P_{t-1}) * 100$$

Where

r_t = returns at time period t.

P_t/P_{t-1} = Closing values of the stock price index (BSE Sensex in our case) at time P_t and

P_{t-1}

FIIs flows in local currency (Rupees) are used.

BSE sensex was chosen as it is a free float market capitalization weighted stock market index of 30 well established and financially sound companies listed on Bombay Stock Exchange. It is regarded as the pulse of the Indian stock market having market capitalization of Rs.29, 733 (US \$654 billion) 42.34 percent of market capitalization of BSE (April 2011). Free float market capitalization of BSE sensex was Rs. 156906 billion (US \$345 billion) as on April 21st 2011.

In addition, log returns or log price relative values are employed for two reasons:

- (a) log returns can be interpreted as continuously compounded returns i.e.

$$\exp(rt) = p_t/p_{t-1} \rightarrow p_t = p_{t-1} e^{rt}$$

Which is easily recognized as the growth of the value of

the investment pt-1 over the time interval t-1 to t when compounded continuously at the rate rt.

- (b) Continuously compounded returns are time additive. To compute a weekly returns series from daily log returns, it is valid simply to add up the daily returns.

Research Methodology

Positive feedback trading describes the strategy of rushing in when the markets are booming and rushing out when the markets are on the decline. Hence it assumes a relation between the past performance of the market (as indicated by the value of market index) and the current FIIs investment. Our analysis on positive feedback trading tests the hypothesis that FIIs net equity demand is driven by recent returns in the equity market of host country i.e. India in our case. This can be viewed as a general explanation

of the Brennan and cao (1997) model that suggest that net inflows should be a linear function of returns across equity markets. This model explains why flows would depend on returns in contrast with the more often discussed and tested, mean-variance model that produces no flows because of change in asset prices. The Brennan and Cao Model assume that purchases of foreign equities will be a linear function of returns on the domestic and foreign equities markets, and that the coefficient of the return on the foreign market index will be positive; provided that foreign investors are less informed about the payoffs on stock than are local investors and provided that the information advantage of local investors is the result of a gradual process of superior information acquisition rather than of periodic large information leakages to locals. The sign of the coefficient of the return on the domestic market index is indeterminate.

The optimal trading strategy of the individual investor i is given by

$$\nabla \tilde{D}_t^i \equiv \tilde{D}_t^i - \tilde{D}_{t-1}^i = r \left[S_t^i (\tilde{Z}_t^i - \tilde{P}_t) - S_t (\tilde{U} - \tilde{P}_t) + \frac{\tilde{X}_t}{r} - \sum_{j=0}^{t-1} (S_j^i - S_j) \nabla \tilde{P}_t \right], \dots (1)$$

Where

$$\nabla \tilde{P}_t \equiv \tilde{P}_t - \tilde{P}_{t-1}$$

traders in session , \tilde{X}_t

Equation (1) Shows that the trading strategy of investor i in period t depends on:

- the difference between his vector of private signals in period (**Zt**) and the vector of prices, \tilde{P}_t weighted by his private signal precision matrix
- the difference between the vector of the average private signal, \tilde{U} , and the vector of prices \tilde{P}_t weighted by the average private signal precision matrix S_t
- the vector of supply shocks due to new liquidity

Since the econometrician observes neither the supply shock nor the private signals, it is convenient to consider the expected trade of investor conditional on the vector of

price changes at time t, $\nabla \tilde{P}_t$

The conditional expected trade vector might be written as:

$$E[\nabla \tilde{D}_t^i | \nabla \tilde{P}_t] = r[\omega_t^i \Gamma_t \nabla \tilde{P}_t + E[\tilde{X}_t / r | \nabla \tilde{P}_t] - \Omega_t^i \nabla \tilde{P}_t]$$

Where $\omega_t^i = S_t^i - S_t$, the marginal informational (dis) advantage of investor i arising from private signals received at time t

$$\Omega_t^i = \sum_{j=0}^t \omega_j^i = K_t^i - K_t,$$

the cumulative informational (dis)advantage of the investor arising from all the private signals received up to time t .

$$\Gamma_t = \text{Cov}[\tilde{U} - \tilde{P}_{t-1}, \nabla \tilde{P}_t] \text{Var}^{-1}[\nabla \tilde{P}_t]$$

The following simple results can be obtained in a single security setting:

$\Gamma_t > 0$ that the trades of an investor with no cumulative information advantage ($\Omega_t^i = 0$), but with positive marginal information advantage ($\omega_t^i > 0$), will be positively correlated with the current price change; the trades of an investor with a positive cumulative information advantage ($\Omega_t^i > 0$), but with no marginal information advantage ($\omega_t^i = 0$) will be negatively correlated with the price change in the current period.

Let μ^m denote the measure of domestic investors in country m . Then, from equation (2), the vector of conditional expected trades by investors in country m is given by:

$$E[\nabla \tilde{D}_t^i | \nabla \tilde{P}_t] = r[\omega_t^i \Gamma_t \nabla \tilde{P}_t + E[\tilde{X}_t / r | \nabla \tilde{P}_t] - \Omega_t^i \nabla \tilde{P}_t] \dots\dots(3)$$

Assuming that the contribution of noise traders in country m to the aggregate supply shock \tilde{X}_t is $\mu^m \tilde{X}_t$. Then, adding the trades on noise traders to those of the (rational) investors, and dropping the time subscript, the

expectation of the vector of aggregate security purchases by all individuals in country m (including noise traders), \tilde{D}^m conditional on the vector of prices changes, $\nabla \tilde{P}$ is

$$E[\tilde{\Pi}^m | \nabla \tilde{P}] = \Theta^m \nabla \tilde{P} \quad (4)$$

Where

$$\Theta^m \equiv r[\omega^m \Gamma - \Omega^m], \quad \omega^m \equiv \int_{i \in m} \omega^i di, \quad \Omega^m \equiv \int_{i \in m} \Omega^i di$$

Equation (4) implies that portfolio flows can be written as a linear function of price changes in the M market portfolios

plus an orthogonal error term. If there are no differences in information precisions across countries, $\omega^m = \Omega^m = 0$ then and portfolio flows will be independent of market returns. If there are differences in information endowments, the conditional expectations of portfolio flows will be linearly dependent on the vector of price changes.

It may be noted that Brennan and Cao predict a positive relationship between flows and recent returns on the assumption that the information of the locals is the result of a gradual process of superior information acquisition rather than of periodic large information leakages to locals. A negative relation is possible if neither investor has a cumulative information advantage, but locals have a marginal informational advantage (i.e. better access to news).

An Empirical Analysis and Findings

Firstly we conduct a test of Stationarity. For the analyses of time series we must ensure that the series is stationary. In the mathematical Sciences, a stationary process is a stochastic process whose joint probability distribution does not change when shifted in time or space. Consequently, parameters such as the mean and variance, if they exist, also do not change over time or position.

Stationarity is used as a tool in time series analysis, where the raw data are often transformed to become stationary; for example, economic data are often seasonal and/or dependent on a non-stationary price level. An important type of non-stationary process that does not include a trend-like behavior is the cyclostationary process.

A stationary series can be defined as one with a constant mean, constant variance and constant autocovariances for each given lag. A series can be viewed as stationary or not is essential for the following reasons:

- The stationarity or otherwise of a series can strongly influence its behaviour and properties. For instance, the word “shock” is usually used to denote a change or an unexpected change in a variable or perhaps simply the value of the error term during a particular time period. For a stationary series, “shock” to the system will gradually die away i.e. the effect of a shock during time t will have a smaller effect in time $t+1$, a smaller effect still in time $t+2$ and so on. This can be contrasted with the case of non stationary

series, where the persistence of shocks will always be infinite, so that for a non –stationary series, the effect of a shock during time t will not have a smaller effect in time $t+1$, and in time $t+2$ etc.

- If the variables employed in a regression model are not stationary, then it can be proved that the standard assumptions for asymptotic analysis will not be valid. In other words, the usual t -ratio would not follow t -distribution and the F -statistic will not follow an F -distribution and so on.

Testing for Units Roots

The properties of a time series depend on its order of integration, d , that is on the presence of unit roots. It is important to have techniques available to determine the actual form of non-stationarity and to distinguish between stochastic and deterministic trends if possible. There are two kinds of statistical tests: one group is based on the unit root hypothesis while the other is on the stationary null hypothesis.

We consider an **AR (1)** model:

$$y_t = \rho y_{t-1} + \varepsilon_t$$

Where $y_0 = 0$ and ε_t is a white noise sequence with constant variance. This model has been widely used to describe the behavior of finance time series such as stock prices, exchange rates, etc. A unit root is present if $\rho = 1$. The model would be non-stationary in this case.

The regression model can be written as

$$\Delta y_t = (\rho - 1) y_{t-1} + \varepsilon_t = \delta y_{t-1} + \varepsilon_t$$

where Δ is the first order difference. In this model we test for a unit root by testing $\delta = 0$ (where $\delta = \rho - 1$). Since the test is done over the residual term, rather than raw data, we cannot use the ordinary t -statistic. Therefore, we use τ that has a distribution called Dickey Fuller table.

There are three main versions of the test:

1. Test for a unit root:

$$\Delta y_t = \delta y_{t-1} + \varepsilon_t$$

2. Test for a unit root with drift:

$$\Delta y_t = \alpha_0 + \delta y_{t-1} + \varepsilon_t$$

3. Test for a unit root with drift and deterministic time trend:

$$\Delta y_t = \alpha_0 + \delta y_{t-1} + \varepsilon_t$$

The critical value depends on sample size. The null hypothesis is that there is a unit root, $\delta = 0$. For a larger and more complicated set of time series models, the Augmented Dickey–Fuller (ADF) statistic is used. It yields a negative number. The more negative it is the stronger is the rejection of the hypothesis that there is a unit root at some level of confidence. Both the DF and the ADF tests assume that the errors are statistically independent and have a constant variance. Thus, an error term should be uncorrelated with the others, and has constant variance.

While testing the original and transformed series of FIIs investment data, we find that at original forms (i.e. at levels) purchase and sales series are non stationary, in other words they process unit roots. However, the net investment series is stationary. Gross purchase and gross sales series remain non stationary at levels even after their log transformation (using natural logarithm) but the first difference of log transformed data (represents relative changes in percentage terms) in gross purchase and gross sales respectively, are stationary. Therefore, gross purchase and gross sales series are ‘integrated of order- 1’ i.e. (I (1)). The ADF unit root test (Table- 1.1) suggests that the relative purchase and relative sales series are stationary. Therefore, we use these two series for further analysis.

Table 1.1 Results of ADF Unit Root Test

Variables	Unit Root	Unit root with drift
• Gross Purchase	0.49	2.24
• Gross sale	0.67	2.44
• Net Investment	6.44***	7.19***
• Log Gross Purchase	0.87	2.55
• Log Gross sale	2.55	3.95*
• Relative Purchase	10.39***	10.45***
• Relative sales	12.29***	12.47***

*** p< 0.01

** p<0.05

* p<0.10

The net FIIs investment has been used at levels without any transformation because it is a stationary series and its log transformation is not possible because of the presence of negative values.

Next we do a Ganger Causality test to eliminate the possibility of a simultaneity bias in the model. The Granger causality test is a technique for determining whether one time series is useful in forecasting another. Granger causality is a statistical concept of causality that is based on prediction. According to Granger causality, if a signal X1 “Granger-causes” (or “G-causes”) a signal X2, then past values of X1 should contain information that helps predict X2 above and beyond the information contained in past values of X2 alone. Its mathematical formulation is based on linear regression modeling of stochastic processes (Granger 1969). G-causality is normally tested in the context of linear regression models. Consider a bivariate linear autoregressive model of two variables X1(t) and X2(t):

$$X_1(t) = \sum_{j=1}^p A_{11,j} X_1(t-j) + \sum_{j=1}^p A_{12,j} X_2(t-j) + E_1(t)$$

..... (6)

$$X_2(t) = \sum_{j=1}^p A_{21,j} X_1(t-j) + \sum_{j=1}^p A_{22,j} X_2(t-j) + E_2(t)$$

..... (7)

Where p is the maximum number of lagged observations included in the model (the model order), the matrix A contains the coefficients of the model (i.e., the contributions of each lagged observation to the predicted values of $X_1(t)$

and $X_2(t)$, and $E_1(t)$ and $E_2(t)$ are residuals (prediction errors) for each time series. If the variance of $E_1(t)$ or $E_2(t)$ is reduced by the inclusion of $X_1(t)$ or $X_2(t)$ terms in the first (or second) equation, then it is said that $X_1(t)$ or $X_2(t)$ Granger-(G)-causes $X_1(t)$ or $X_2(t)$, respectively. In other words, $X_2(t)$ G-causes $X_1(t)$ if the coefficients in A_{12} are jointly significantly different from zero. This can be tested by performing an F-test of the null hypothesis that $A_{12} = 0$, given assumptions of covariance stationarity on $X_1(t)$ and $X_2(t)$. The magnitude of a G-causality interaction can be estimated by the logarithm of the corresponding F-statistic.

We have however, used on one period lag length because in the case of the stock markets we do not expect the lag to be more than one month because it is a dynamic market.

Table 1.2 Results of Granger Causality Test

Null Hypothesis	F- Statistics	Critical Value	Inference
Relative Purchase does not Granger cause Sensex Return	7.567	4.65	Rejected
Sensex Return does not Granger cause Relative Purchase	5.609	4.65	Rejected
Relative Sales does not Granger cause Sensex Return	6.89	4.65	Rejected
Sensex Return does not Granger cause Relative Sales	5.49	4.65	Rejected
Net FII does not Granger cause Sensex Return	5.20	4.65	Rejected
Sensex Return does not Granger cause Net FII	6.11	4.65	Rejected

The inference is drawn at 5 percent level of significance.

It is a general belief that FII's could cause the market or market cause the FII's or both could cause each other. If we find that there is a particular bi-way causal relationship especially with the Sensex return, then we can say, that the FII's is both 'driven' and yet drives the market. In the case of FII's such behaviour is expected that is now they 'play' with the market. 'Whip up volatility and gain from it' is the most popular slogan for FII's. Driving markets is a positive phenomenon while milching a market is destabilizing. It leads to dumping the 'cow' when it is exhausted. We find that FII's have the dubious distinction of having bi-way causality. Our results show that FII's equity purchase has positive influence on Sensex return and at the same time Sensex return also has positive impact on FIIs flows (Table

1.2). The increase in Sensex return shows that investors had brought the stock and had perceived that the market would rise in the future. But at the same time selling pressure of FIIs caused Sensex return to fall in future. The FIIs sales meant that FIIs were with drawing their money from the market. This heading behaviour of FIIs shows that they do not invest their money in the market for growth of particular country but they look of their own profits and they try to earn on volatility of the market.

Brennan And Cao Model

In order to follow Brennan and Cao Model, regression analysis has been undertaken for the equation 5 and the results are shown in Table 1.3 below:

Table 1.3 Regression Results (Brennan & Cao Model)

Dependent Variable	Independent Variable		
Net FIIs Flows	R	R(-1)	R(+1)
1993-1999	0.68	0.187	0.835
	(1.23)	(0.371)	(1.542)
2000-2013	1.132	0.787	1.023
	(1.00)	(0.642)	(1.27)
1993-2013	-0.633	-0.257	0.267
	(1.256)	(-0.903)	(1.084)

Figures in parentheses are t ratios.

A significant and positive relation between lagged monthly sensx returns and Net FII Flows (Gross purchase- Gross Sales) is not observed (Table 1.3). This indicates that FIIs do not buy Indian stock before stock index increases. To some extent it also reveals that FIIs do not have information about future fundamentals. This also negates the information revelation hypothesis in Indian context. This indicates that foreign investors buy or sell the Indian stock without considering previous month's sensx returns which gives lends support to the non existence of momentum trading strategies on monthly basis. It can be possible that FII Flows are highly related to it own lagged flows which could be due to the fact that increase or decrease in the FIIs activity induces other FIIs to proceed in the same direction.

In other words, we can say that FIIs investment is not led by a return that is the FIIs are not indulging in return chasing but is led by their own trade on a monthly basis.

Conclusions

This research paper examined the positive feedback trading behaviour of FII's in Indian stock market by using monthly data from Jan. 1993 to Dec. 2013. The issue assumes much relevance in the context of the almost non existing literature on this issue and recent impacts of global financial crisis on India. Our results do not support the information revelation hypothesis and the existence of positive feedback strategies followed by FIIs on monthly basis in Indian environment. It seems that FIIs do follow their own monthly trade. Further, the trading horizon is not a month, it may be a day. Interestingly, Granger Causality test provides the evidence of bi-directional causality running from FIIs flows (Gross Purchase/ Gross Sales) to Sensx returns. This shows that Indian Sensx returns both

determines and determined by the volume of FIIs. In other words, we can say that FIIs activity by purchase or selling in Indian stock market causes movements in Bse Sensx and the stock price movements cause foreign investors to purchase or sell Indian stocks. The Foreign institutional Investment Flows have the potential of influencing the process of economic development of India and having the positive impacts on macro-economics fundamentals of the country. Therefore, the outlook is that the Indian policy makers should provide the FII's with more opportunities and reasons to invest in Indian markets by suggesting and implementing prudential norms.

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Banking Sectors to Check and Enforce The Effective Measures of Non-Performing Assets

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Abstract: *The Indian banking system has undergone significant transformation following financial sector reforms as laid out by Shri M.Narasimham Committee in 1991. It is adopting international best practices with a vision to strengthen the banking sector and its operations in the economy. Several prudential and provisioning norms have been introduced, and these are expecting the banks to usher overall efficiency, bring down Non Performing Assets (NPA), to improve the profitability and overall financial health in the banks, in general. In the background of these developments, this research paper attempts to analyze the trend of the NPA of the banks in recent decade since 2000. Presently Reserve Bank of India Governor Sh. Raghuram Rajan also indicated the insecurity feeling of banking condition and non-performing assets in India. Recently in Greece we have seen the over 4 lac crore euro currency¹ is under NPA, which is a major setback for the country and allow the international market and banking sector to check their NPAs. The RBI is taking the steps to check and balance the economy of India but somewhat it is not being restore/check/control. Therefore, here in this research paper assumes significance with the recent proposal by RBI to introduce Basel III norms in the banking sector from January 2013. The global economy is slowly slipping into problems reminiscent of the Great Depression of the 1930s, Reserve Bank of India (RBI) governor Raghuram Rajan has warned, asking central banks from across the world to define “the rules of the game” to find a solution.² The problem of NPA is not limited to only Indian public sector banks, but it prevails in the entire banking industry. Major portion of bad debts in Indian Banks arose out of lending to the priority sector at the dictates of politicians and bureaucrats. If only banks had monitored their loans effectively, the bad debt problem could have been contained if not eliminated.*

Key Words: *Non-performing Assets, RBI, Narshimham Committee, Bad Loans, Central Bank*

Introduction

According to Economic Times³, the Finance Ministry would like to have these stricter rules to control the NPAs. As we know every now and then the Bank and Bank Employees are involved in the Banking Fraud/False documentations/unfair means/substandard practices. Therefore, the Non Performing Assets⁴ in many of the cases the court founds that some human beings are also involved to tackle the NPA problem in the bank. Many occasions the bank has been advice/Suggested by the RBI to take precautionary measure. But when the new Government took over the charge as new government has taken the steps to control NPA on priority basis with the help of Reserve Bank of

India and Finance Ministry.

The finance Ministry told to the news paper⁵ that we will present all options which can be used to strengthen banks, including consolidation. This presentation would include a blue print on the proposed banking capitalization programme steps towards financial inclusion and measures that can be taken to arrest bad loans at state run banks. But consolidation in PSBs can be looked at if there is a political will. The ministry would also make a case for early release of Rs. 8000/- crore at par. According to a report⁶, 26 states run banks will together need about Rs.

⁷ Akhoury Rashmi, the NPA overhang-magnitudes, solutions and legal reforms in Banking and Financial Sector Reforms in India, edited by Asha Singh and others p.266, New Delhi, Serials Publications, 2010.

⁸ Atul Mohan and Kapur Puneet, A practical guide to Non-Performing Bank Advances, p.1, Lucknow, Vinod Law Publications & Agarwal Law Publications, 1996.

⁹ Growing NPAs in banks Efficacy of credit rating agencies, ASSOCHAM report May 2014

¹⁰ Growing NPAs in banks Efficacy of credit rating agencies, ASSOCHAM report May 2014, by D. S. Rawat, Secretary General, ASSOCHAM

¹¹ Ibid.

¹² 1975 (2) SCC p.175 at p.202.

¹³ 1980 (Supp.) SCC p.574.

4.15 lakh crore in capital infusion to be able to maintain lending growth under BASEL guidelines.

The business of banking essentially involves intermediation-acceptance of deposits and channeling these deposits in to lending activities. Since the deposits received from the depositors have to be repaid to them by the bank, they are known as banks' 'Liabilities' and as the loan given to the borrowers are to be received back from them, they are termed as banks' 'Assets' so assets are banks' loans and advances.⁷ In the traditional banking business of lending financed by deposits from customers, Commercial Banks are faced with the risk of default by the borrower in the payment of either principal or interest. This risk in banking parlance is termed as 'Credit Risk' and accounts where payment of interest and /or repayment of principal is not forthcoming are treated as Non-Performing Assets,⁸ as per the Reserve Bank of India, an asset, including a leased asset, becomes non-Performing when it ceases to generate income for the bank. Existence of Non-Performing Asset is an integral part of banking and every bank has some Non-Performing Assets in its advance portfolio. However, the high level of NPA is a cause of worry to any financial institution and Bank.

NPA Lifecycle in Banks

The NPA lifecycle of banks has three main stages: Identification of stressed assets and NPAs, investigation by measurement and obtaining insight and lastly, resolution through crisis management and revitalisation of stressed assets. The Reserve Bank of India (RBI) has taken a number of steps which are pushing banks in India to be more proactive in recognition of stress and to take remedial steps so as to preserve the economic value of assets. As a part of such efforts, special mention accounts (SMAs) classification has been recently introduced coupled with defining a time bound procedure towards deciding the course and nature of remedial actions.⁹ Non-performing assets (NPAs) are a key concern for banks in India. They are the best indicator of the health of the banking industry. Public sector banks have displayed excellent performance and have beaten the performance of private sector banks in financial operations. However, the only problem of these banks is the increasing level of nonperforming assets, year

by year. On the contrary, the NPAs of private sector banks have shown a decline. A reduction in NPAs shows that banks have strengthened their credit appraisal processes over the years. The increase in NPAs shows the necessity of provisions, which bring down the overall profitability of banks. Therefore to improve the efficiency and profitability of banks, NPAs need to be reduced and controlled. A high degree of NPAs suggests high probability of a large number of credit defaults that affect the profitability and liquidity of banks. Under the circumstances, the role of credit rating agencies also needs to be relooked at and brainstormed over. We need to devise a way forward to ensure that rating agencies put forth an improved mechanism to keep a check.¹⁰ Some of the problems which allows the banks to set up holding companies that will include all their subsidiaries. The holding company will raise money on behalf of these subsidiaries.

Other measures include, focused special purpose vehicles (SPVs) such as the one Allahabad Banks has proposed, to monetize real estate assets and raising capital by allowing banks to issue shares to employees. By the efforts of Finance Ministry the banks has also been guided to check and reduce the NPAs, the banks have been guided¹¹ to improve CASA (Current and Saving Accounts) ratio to up to 40% and focus on recoveries. Gross non-performing assets (NPAs) of state-run banks improved to 4.44% in the quarter to March from 5.07% in the previous quarter. *Anant Mills Co.Ltd. v. State of Gujarat*¹² to submit that such a provision is made to regulate the exercise of the right of an appeal conferred upon a person. The purpose is that right of appeal may not be abused by any recalcitrant party and there may not be any difficulty in enforcing the order appealed against if ultimately it is dismissed and there may be speedy recovery of the amount of tax due to the corporation.

Right of Person To Appeal

In a the case *Seth Nandlal v. State of Haryana*¹³ there was no provision for a waiver or reduction of amount of pre-deposit, it is submitted, even that the provision was held to be valid as the purpose was to prevent frivolous appeals and revisions which impedes the implementation of the ceiling policy. Referring to yet another decision reported in,

¹⁴ 1988(4) SCC p.402.

¹⁵ 1993 (1) SCC p.22.

¹⁶ (civil) 92-95 of 2002.

*Vijay Prakash D.Mehta and Anvr. v. Collector of Customs (Preventive) Bombay*¹⁴, it is submitted that right to appeal is neither an absolute right nor an ingredient of natural justice which principles are to be followed in judicial and quasi-judicial proceedings. A right of appeal is a statutory right and it can be circumscribed by the conditions. It has been also found that there are further observations to the effect that the condition is for the purpose to act in totum to make the people comply with the provisions of the law. *Shyam Kishore & Ors*¹⁶. v. *Municipal Corporation of Delhi*¹⁵, has been referred to submit that a similar provision was upheld without there being any provision for waiver of the condition. The submission is that such a provision as that of pre-deposit before maintaining an appeal is not unknown to law and there are several other statutes containing similar provisions. Emphasis is on the provision of waiver or reduction of the amount required to be paid which, it is submitted, strikes a balance between the right of a person to appeal and the right of the person appealed against for speedy recovery of his dues.

According to Supreme Court in *Mardia Chemicals Ltd. Etc. Etc v. U.O.I. & Ors.* Hon'ble Chief Justice of India Justice B. Kumar and Hon'ble Justice A. Kumar, the Supreme Court Bench said that:

- a. The term "borrower" has been defined in clause (f) of Section 2, which provides as under :

"borrower" means any person who has been granted financial assistance by any bank or financial institution or who has given any guarantee or created any mortgage or pledge as security for the financial assistance granted by any bank or financial institution and includes a person who becomes borrower of a securitisation company or reconstruction company consequent upon acquisition by it of any rights or interest of any bank or financial institution in relation to such financial assistance;"

- b. "Financial Assistance" has been defined in clause (k), which reads as under:

"financial assistance" means any loan or advance granted or any debentures or bonds subscribed or any guarantees given or letters of credit established or any other credit facility extended by any bank or financial institution;"

- c. Similarly, the term "default" is defined in clause (j), as quoted below:

"default" means non-payment of any principal debt or interest thereon or any other amount payable by a borrower to any secured creditor consequent upon which the account of such borrower is classified as non-performing asset in the books of account of the secured creditor in accordance with the directions or guidelines issued by the Reserve Bank".

- d. "Non Performing Asset" has been defined in clause(o) of Section 2 which means:

"Non-performing asset" means an asset or account of a borrower, which has been classified by a bank or financial institution as sub-standard, doubtful or loss asset, in accordance with the directions or under guidelines relating to asset classifications issued by the Reserve Bank".

- e. "Reconstruction company" has been defined in clause(v) of Section 2 which means :

"Reconstruction company" means a company formed and registered under the Companies Act, 1956 (1 of 1956) for the purpose of asset reconstruction;

- f. "Secured asset" has been defined in clause(zc) of Section 2 which means :

"Secured Asset" means the property on which security interest is created."

- g. "Secured creditor" has been defined in clause(zd) of Section 2 which means :

¹⁷ 757 F2d752 (6th Cir.1985)

¹⁸ 44 NJ 117, 207 A2d 522, 531 (1965).

¹⁹ Global Journal of Management and Business Research Volume XIII Issue I Version I, Published in 2013 p 104

²⁰ A report in Mint Global stocks stumble on Greek debt crisis: investors concerned about possible default, euro exit by Athens, but there is no sign of panic.

²¹ A report published by ASSOCHAM Indian 'Improving efficacy of credit rating agencies' May 2014.

“Secured Creditor” means “any bank or financial institution or any consortium or group of banks or financial institutions and includes -

- (i) debenture trustee appointed by any bank or financial institution; or
- (ii) securitization company or reconstruction company; or
- (iii) any other trustee holding securities on behalf of a bank or financial institution, in whose favour security interest is created for due repayment by any borrower of any financial assistance;”

Lender’s liability has also developed which cannot be ignored. We have already referred to certain facts in relation to this point that at one stage a statement was made at the floor of the House that it was necessary to legislate on lender’s liability. No such Bill though seems to have been introduced. Certain decisions pertaining to the liability of the lenders have been cited on behalf of the petitioners and a few others by the learned counsel for the respondents. Learned counsel for the petitioners emphatically submitted that the Act is loaded against the borrowers and no provision regarding the liability of the lenders has been made in the Act. The above things are also discussed in the cases on the point cited by the parties: *KMC Co.*¹⁷ v. *Irving Trust Co., Palisades Properties, Inc. v. Brunetti*¹⁸.

Stressed Assets: How big is the problem?

The problem is not only restricted to rising GNPA ratios. The rise in the percentage of RA and security receipts (SRs) issued by asset reconstruction companies (ARCs) are also a cause for concern. Owing to the lack of detailed data we have on SRs, we have limited our definition of SA in India to only GNPA and RAs. The true picture of SA can be depicted by combining the GNPA and RA (as a percentage of total advances). This figure, as on March 2013 is as high as 10.2% of the total banking credit. The Government of India through the instructions of Reserve Bank of India (RBI) mandates certain type of lending on the Banks operating in India, irrespective of their origin. RBI sets targets in terms of percentage (of total money

lent by the Banks) to be lent to certain sectors, which in RBI’s perception would not have access to organized lending market or could not afford to pay the interest at the commercial rate. This type of lending is called Priority Sector Lending. Financing of Small Scale Industry, Small business, Agricultural Activities, Export activities and the activities narrated in the previous paragraphs are fall under this category.¹⁹ The Euro Stoxx 50 index of eurozone blue chips was down 4.16% at 10pm IST, having fallen about 5% at the opening. The FTSE 100 index in London closed down 1.97%. In India, the rupee weakened for a third consecutive session, ending down 0.33% at 63.85% per dollar. The BSE Sensex lost 0.6%, or 166.69 points, to close at 27,645.15 points, after having lost as much as 2.2% earlier in the day.²⁰

Conclusion

In the last couple of years, as Indian economy witnessed downturn trends, the banks have been straddled with high NPAs and restructured assets. Macro-economic dynamics may be a major contributor, however we also believe that inadequate credit assessments and monitoring during the upturn in the economy has also contributed to the same. All participants in the ecosystem, the banks, regulators, borrowers and CRAs need to take responsibility.²¹ Our view is while we cannot undo the mistakes or errors that have been committed in terms of credit assessment and monitoring, effective steps needs to be taken and a holistic approach is the best way forward. All stakeholders in the ecosystem need to proactively contribute towards a better credit assessment and monitoring framework with the regulator enabling such initiatives. Some of our major recommendations include the following:

- Effective use of early warning systems as the monitoring mechanism by the banks to proactively detect and resolve issues related to the credit risk of the borrower. For the resolution of NPAs, an end to end NPA lifecycle management can also help.
- To create a holistic regulatory framework for credit ratings along with an umbrella regulator.
- To minimise the opportunity of regulatory arbitrage

- Efficacy of CRAs being monitored by the regulator through adoption of remedial measures for resolving conflict of interest of CRAs
- Encouraging CRAs to develop industry specific expertise
- Banks moving towards true risk based pricing thus encouraging borrowers to get themselves rated (solicited ratings). Currently banks also monitor market risks, however it is imperative that banks use this information also in conjunction with credit assessment to have a true evaluation of the borrower.
- Banks should also be encouraged to develop their internal rating models and validate these ratings by comparing them with publicly available ratings and also seek more information from the rating agencies, if necessary to be doubly sure of their credit assessment process.
- Feasibility of creation of a centralised platform for credit ratings, where issuers can approach to get themselves rated and allocation of the work can be done to CRAs based on industry expertise and their previous experience amongst others. This will also reduce the conflict of interest and can prevent rating shopping by borrowers.

Students' Attitude towards Career in Personal Selling: An Empirical study of Indian students in National Capital Region (NCR)

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Abstract: *The purpose of this exploratory study was to measure Indian students' perception towards personal selling as a career. The study considers various attitudinal statements and surveys available in the literature. Results indicate attitudinal differences for personal selling among business, non-business, males and females graduates. It indicates that Indian student's carries relatively unfavorable image of opting personal selling as career.*

Key Words: NCR, Personal Selling, Career, Sales Transactions.

Introduction

Indian economy is now developing into an open-market economy. The early 1990s began with economic liberalization measures, including industrial deregulation, privatization of state-owned enterprises, and reduced controls on foreign trade and investment and served to accelerate the country's growth with average under 7% per year from 1997 to 2011.

With the launch of 'Make in India' initiative India has become a preferred investment destination for foreign companies looking to do business here thus giving the Indian economy global recognition. This initiative is expected to increase the purchasing power of the common man, which would further boost demand, and so incite development, in addition to benefiting investors. These recent steps taken by the government have shown positive results as India's Gross Domestic Product (GDP) at factor cost at constant (2004-05) prices for Q1 of 2014-15 is estimated at Rs 14.38 trillion (US\$ 231.83 billion), as against Rs 13.61 trillion (US\$ 219.42 billion) in Q1 of 2013-14, registering a growth rate of 5.7 per cent.

As per the estimates of the Central Statistics Office (CSO), the growth in Gross Domestic Product (GDP) at factor constant (2004-05) prices is placed at 5.7 percent in the first quarter of 2014-15, which is the highest recorded

in nine quarters, with agriculture, industry and services registering growth rates of 3.8 percent, 4.2 percent and 6.8 percent respectively. GDP growth estimated at 4.7 percent for the full year, 2013-14.

Based on the recommendations of the Foreign Investment Promotion Board (FIPB), the Government of India has approved 14 proposals of FDI amounting to Rs 1,528.38 crore (US\$ 246.42 million) approximately. Out of the 14 approved proposals, six of them belonged to the pharmaceutical sector that was the highest number of approvals for any sector. (Source: *Press Information Bureau (PIB), Media Reports, Department of Industrial Policy and Promotion (DIPP), Securities and Exchange Board of India (SEBI)*) So the sector which shows highest potential for personal selling.

Sales recruiters are now looking at diversifying their sales force by attracting university students; as a result professional selling has increasingly become an integral part of the country that presents a variety of exciting and challenging career opportunities for university students (Castleberry, 1990; Caballero & Joonas, 2009; Bristow, Amyx, & Stephen, 2011). World market economy driven by the consumption of goods and services (Spillan, Totten, & Ziemnowicz, 2007) therefore a group of skilled sales people is contributing continuously in promoting business

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environment and consumption process. Several Indian business industries are attracting university graduates students in a sales career in job for expanding their potential business growth. Thus, recruiting university graduate students for sales career has become a major concern for corporate business organizations in India. These students initially enter the workforce through the sales field. An understanding of the student's attitude in personal selling as career is an important area of study. According to Spillan, Totten, & Ziemnowicz, (2007) those who sell the goods and services are the life blood of a firm. Many B-school graduates initially involve with workforce through the sales field and then develop continued interest in sales job as a career path. Students had strong positive attitudes towards sales job as a potential career profession (Paul & Worthing (1970).

In ancient times people feared that they would be cheated in sales transactions, hence the Latin proverb, *caveat emptor*, meaning *let the buyer beware*. One of the findings that college students' interest in sales career was generally negative (Swenson, Swinyard, Langrehr, & Smith, 1993; Spillan et al., 2007). However, more recent studies, such as Jonnes et al. (2009) indicate that business majors showed a higher interest in getting a selling job after graduation, compared to non-business majors. There are many studies conducted in the U.S., there is scarce research attention on Indian students' perception for sales career. The specific purpose of this study is to analyze Indian student's attitudes toward personal selling as a career, and to examine the impact of some demographic characteristics on these perceptions.

Literature Review

Business versus Non-Business students

The certain studies have shown the differences between the business and non-business students in relation to personal selling. Generally, one thought that students with business majors as compared to non-business majors would be having more exposure to marketing function and so more contribution for personal selling of the firm, and the economy as a whole. According to a survey by Paul and Worthing (1970), contrary to hypothesis, students across different majors have negative attitudes toward personal selling. Further studies, such as Kavas (2003) and Jonnas (2009) indicate that business majors showed

a higher interest in getting a selling job after graduation, compared to non-business majors.

Students' Academic level

The study relating to the effect of students' academic level in the course, are ambiguous. As research study by, Bellinger, Bernhart and Wayman (1974) found no significant differences among perceptions of personal selling among good performers classmen. Swenson et al. (1993) conducted a time-series replication of an earlier study (Swinyard 1981) among undergraduate business students from 13 universities. The preference for personal selling as a career found to be inversely related to students' academic level. The findings of Jonnas (2009) was too in line with these earlier U.S. studies.

Attitude towards personal selling

The modern attitude toward personal selling focuses with phrases like "high-pressure sales" or "the hard sell." In the 1950s with advent of marketing numerous research studies on students' attitude towards career in personal selling can be review back. These studies reflect negative images for personal selling. (*The American Salesman* 1958; Ditz 1967; Jolson 1972; Paul and Worthing 1970; *Sales Management* 1962; Thompson 1972). Further research indicated more positive attitudes (Dubinsky 1980; Dubinsky 1981; Swinyard 1981; Dubinsky and O'Connor 1983; Weeks and Muehling 1987; Lagace and Longfellow 1989; Swenson, et al. 1993; DelVecchio and Honeycutt 2002). However few studies are available on countries outside the U.S., Kishwar Joonas(2009) found negative attitudes to industrial selling among business students in Mexico.

Impact of family member with a sales career

Earlier research calls for an investigation of the impact of having a family member with a career in personal selling. As in Kavas (2003) research it was suggested that future studies might also examine the attitudinal differences toward personal selling based on presence of salesperson as a family member. Findings of Jonnas (2009) indicate that the highest polarization in attitudes caused by this factor.

Gender

Research in U.S. has shown mixed results regarding the impact of gender on attitudes toward personal selling. Dubinsky's (1980) study showed a marginally more positive perception of personal selling among males. O'Connor and Dubinsky (1983) found no significant differences in gender based attitudes toward personal selling. Muehling and Weeks (1988) indicated that females hold more positive perceptions of sales than do males. More recently, Jonnas (2009) found that females to have higher negative attitudes than males.

Research Methodology

Research Problem

The research questions are as follows:

What are the attitudes of Indian students toward personal selling?

- Does attitude differ with gender, being a business major, or having a family member in the sales field?
- What is the level of interest among Indian students in pursuing a sales job?
- Is the level of interest in a sales job impacted by gender, student's academic level, major field of study, or having a family member employed in personal selling?

Instrument

This study used a modified survey based on Kavas (2003) and Jonnas (2009). The first part covers respondent's socio-demographic characteristics. The second part of questionnaire contains attitudinal statements that captured negative characteristics. Such as "I associate personal selling with.... insincerity and deceit; low status/low prestige." Respondent's level of agreement was measured on a five-point Likert scale ranging from 'Strongly agree' (1) to 'Strongly disagree' (5). Thus, agreement with a scale item would evidence that the respondent has a negative attitude towards that characteristic of personal selling. The final part of the questionnaire measured the respondent's

opinion in taking up personal selling as a career.

Sample

To conduct this study, a structured questionnaire developed and distributed among 400 students in selected institutes of private, public, and deemed University of NCR region of India. Of these business students were 200, and non-business were 200. About 54 percent of the respondents were male; 57 percent were juniors and seniors, and 51 percent had a family member with a career in personal selling. The convenient sampling method used. The students were from different areas of business courses such as Marketing, Economics, Finance, Management, and other departments of these institutes. The data collected from October 2014 to January 2015. In this survey, we found some questions that were not completed answer by the respondents. However, after completing data screening process 360 were completely filled valid questionnaires selected for data analysis, whereas response rate was 90% that considered a good in view of constraints of time, cost, and geographical distance.

Data Analysis

We did data analysis through finding the mean values for the various attitudinal items on the questionnaire. Further, t-tests used to compare the mean values, based on major and gender. Finally, we calculated the mean values for interest in personal selling as a career, based on gender, student academic level, major, and having a family member with a career in personal selling, and for comparisons between groups.

Results and Discussion

Attitudinal differences on gender basis

Out of the sixteen in six items indicates females to have higher negative attitudes than males. However, the significant difference was only in the case of two items: high pressure/forces to people to buy unwanted goods with t-test value = -1.964 at $p \leq .05$, and too little monetary reward with t-test value = -1.897 at $p \leq .05$ (Refer Table 1). This result confirms with earlier U.S. findings of Dubinsky (1980) and Joonas (2009).

Table 1: Attitudes of Indian students toward personal selling as a career: Comparison of male and female students

I associate a selling job with....	Male			Female			t-value
	Mean [#]	SD	n	Mean	SD	n	
No need for creativity	1.47	1.081	192	0.95	1.112	200	-1.232
Personality is crucial	3.05	1.194	178	2.74	1.092	202	-.742
Low job security	2.37	1.039	186	2.16	1.068	209	-.892
High pressure/forces people to buy unwanted goods	2.47	1.115	164	1.95	1.004	220	-1.964*
Low status and low prestige	1.86	1.084	192	1.89	.960	195	-.927
Just a job. not a career	2.42	1.124	182	2.08	1.095	211	.056
Much traveling	2.28	1.040	198	2.27	.993	191	1.299
Uninteresting/no challenge	1.72	1.087	194	1.71	1.031	196	-.132
Salespeople being money-hungry	2.12	1.068	196	2.08	1.043	198	.210
Frustration	2.14	1.104	179	1.82	.983	218	-1.114
Insincerity and deceit	1.97	1.142	188	1.82	1.075	207	.427
Too little monetary reward	2.09	1.054	189	2.13	.967	197	-1.897*
Inappropriate career option	2.07	1.043	195	2.19	.964	192	-1.092
Difficult to advance into upper management positions	1.91	1.121	194	1.83	.992	204	-.199
Interferes with home life	2.16	.947	196	2.11	.971	196	.787
Easy to get job	2.08	1.024	198	2.02	.914	196	1.104

[#] Where 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree. The higher the score, the more negative the opinion towards the item.

* significant at $\leq .05$ (two-tailed test).

** significant at $\leq .01$ (two-tailed test).

*** significant at $\leq .001$ (two-tailed test).

Attitudinal differences between business and non-business majors

In order to analyze the attitudinal differences based on business and non-business majors, t-tests for differences between groups means was took. The attitudinal items for which statistical differences exist between business and

non-business majors are also shown. (Refer Table 2). Our result from India indicates differences in attitudes between the two groups. Business students had a significantly more positive attitude compared to non-business majors in the case of six items. The largest difference was observe in 'difficult to advance into upper management positions' ($t=3.384$, $p\leq .001$) and 'Easy to get job' ($t=3.784$, $p\leq .001$). Other items included 'no need for creativity' ($t=2.941$, $p\leq .05$), 'uninteresting/no challenge' ($t=2.894$, $p\leq .05$), 'just a job, not a career' ($t=2.761$, $p\leq .05$), and 'low status and low prestige' ($t=2.405$, $p\leq .05$). Business majors had a stronger negative attitude toward personal selling. This result confirms with earlier findings of of Kavass (2003).

Table 2: Attitudes of Indian students toward personal selling as a career: Comparison of business and non-business majors

I associate a selling job with....	Business Majors			Non-Business Majors			t-value
	Mean	SD	n	Mean	SD	n	
No need for creativity	1.68	1.044	198	2.16	1.142	198	2.941*
Personality is crucial	3.98	1.005	195	3.81	1.101	187	-2.416*
Low job security	2.99	1.158	190	2.97	1.024	190	0.488
High pressure/forces people to buy unwanted goods	3.34	1.062	195	3.24	1.005	197	0.389
Low status and low prestige	2.28	.889	194	2.49	1.098	199	2.405*
Just a job. not a career	3.15	1.104	194	3.25	1.047	187	2.761*
Much traveling	2.98	1.48	190	3.35	1.402	192	-1.323
Uninteresting/no challenge	2.13	1.041	197	2.45	1.085	184	2.894*
Salespeople being money-hungry	2.78	1.106	187	3.16	1.009	198	0.849
Frustration	2.71	1.044	189	2.82	1.083	198	0.595
Insincerity and deceit	2.46	1.097	196	2.49	1.147	198	1.269
Too little monetary reward	2.48	1.111	199	2.89	.950	199	.498
Inappropriate career option	2.70	1.043	195	2.19	.964	192	-1.092
Difficult to advance into upper management positions	2.85	1.021	2.74	2.41	1.217	198	3.384***
Interferes with home life	3.17	1.012	196	3.18	.982	194	0.087
Easy to get job	2.68	0.985	193	3.15	0.984	194	3.784***

@Where 1= Strongly disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly agree. The higher

the score, the more negative the opinion towards the item.

* significant at $\leq .05$ (two-tailed test).

** significant at $\leq .01$ (two-tailed test).

*** significant at $\leq .001$ (two-tailed test).

+ significant at $\leq .10$ (two- tailed test).

Attitudinal differences based on having a family member in sales

Out of 16 items, six had significantly more positive attitudes those with a family member in sales. These included: 'insincerity and deceit' ($t=-2.869, p\leq .001$), 'low

status and low prestige' ($t=-3.784, p\leq .001$), 'uninteresting/no challenge' ($t=-3.984, p\leq .001$), 'no need for creativity' ($t=-4.125, p\leq .001$), 'too little monetary reward' ($t=-3.742, p\leq .001$), 'inappropriate career option' ($t=-5.324, p\leq .001$), and 'difficult to advance into upper management positions' ($t=-4.611, p\leq .001$). However, students with no family member in sales had attitudes that are more positive on three items. These items were 'much traveling' ($t=1.897, p\leq .10$), 'personality is crucial' ($t=2.314, p\leq .05$), 'interferes with home life' ($t=1.684, p\leq .10$) (Refer Table 3). Our finding reflects that the highest polarization in attitudes is by this factor of having a family member in sales affects attitudes towards the selling field.

Table 3: Attitudes of Indian students toward personal selling as a career: Comparison based on having a family member in sales

I associate a selling job with....	Family Member in sales			No Family Member in sales			t-value
	Mean	SD	n	Mean	SD	n	
No need for creativity	2.14	1.068	193	1.82	1.068	197	-4.125***
Personality is crucial	3.99	1.011	199	3.85	1.085	192	2.314*
Low job security	3.01	1.105	194	3.21	1.021	194	-2.064*
High pressure/forces people to buy unwanted goods	3.65	1.187	193	3.48	1.024	195	-0.917
Low status and low prestige	2.62	1.054	198	2.74	1.040	197	-3.784***
Just a job. not a career	3.14	1.147	192	3.14	1.100	194	-3.671***
Much traveling	3.14	1.047	197	3.04	1.021	194	1.897+
Uninteresting/no challenge	2.03	1.091	194	2.71	1.010	198	-3.984***
Salespeople being money-hungry							
Frustration	2.77	1.074	194	2.72	1.033	191	-0.179
Insincerity and deceit	2.49	1.109	196	2.79	1.044	190	-2.869*
Too little monetary reward	2.78	1.011	191	3.21	0.947	195	-3.742***
Inappropriate career option	2.63	1.054	192	3.24	0.931	191	-5.324***
Difficult to advance into upper management positions	2.54	1.104	192	2.97	1.102	190	-4.611***
Interferes with home life	3.10	.956	192	3.04	.973	195	1.684+
Easy to get job	2.87	0.987	192	2.87	0.949	197	-1.325

@ Where 1= Strongly disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly agree. The

higher the score, the more negative the opinion towards the item.

* significant at $\leq .05$ (two-tailed test).

** significant at $\leq .01$ (two-tailed test).

*** significant at $\leq .001$ (two-tailed test).

+ significant at $\leq .10$ (two- tailed test).

Overall attitudes toward personal selling

To summarize the overall attitudes towards personal selling we present the mean value for each attitudinal statement (Refer Table 4). Students rated certain items as 'personality is crucial' (mean=4.12), 'high pressure/forces people to but unwanted goods' (mean=3.53), 'low job security' (mean=3.23), 'much traveling (mean=3.26), 'just a job, not a career' (mean= 3.20), 'interferes with home life' (mean=3.07), and 'salespeople being money hungry' (mean = 3.00) higher than the other items. This indicates higher levels of agreement with these negative statements. Therefore, overall, students indicated a strong negative attitude toward these seven criteria of personal selling.

Table 4: Attitudes of Indian students toward personal selling as a career: Descriptive Statistics

I associate a selling job with.....	N	Mean	Std. Deviation
No need for creativity	394	2.84	1.048
Personality is crucial	382	4.12	1.078
Low job security	397	3.23	1.037
High pressure/forces people to buy unwanted goods	386	3.53	1.094
Low status and low prestige	389	2.71	1.121
Just a job, not a career	395	3.20	1.102
Much traveling	391	3.26	1.042
Uninteresting/no challenge	392	2.48	1.081
Salespeople being money-hungry	396	3.00	1.095
Frustration	399	2.83	1.084
Insincerity and deceit	397	2.71	1.028
Too little monetary reward	388	3.01	1.024
Inappropriate career option	389	3.05	1.024
Difficult to advance into upper management positions	400	2.68	1.067
Interferes with home life	394	3.07	.946
Easy to get job	396	2.92	.964

Limitations of study

It is to point out that this study has certain limitations. The sample comprised students of a small geographic area of North India. It may not be representative of Indian students, limiting the generalization of results. We need to have follow-up studies to cover a more diverse set of universities of various regions. Further, this is an exploratory study, and does not explore into deeper issues that might impact attitudes of Indian students toward personal selling.

Conclusion

To conclude we suggest there is a need to alter Indian students' attitudes toward career in personal selling. For this a concerted efforts by industry, academia, sales professionals, and institutions is highly required. The focus should be on 360 degrees coverage of students and other stakeholders, such as advisors, counselors, and guardians, through an integrated communications courser or events. Campus communication and recruitment efforts for

internships, co-operative opportunities, and employment can be strengthened by high industry involvement. High-profile sales personnel should maintain a high level of motivational sessions in community and university events. The efforts should be made for tie-ups of undergraduates with sales professionals, through interaction via student associations, and student chapters of professional bodies such as the American Marketing Association. Academician and administrators need to encourage experiential learning to bring the ground realities of the sales field into the classroom. At last, there is a need for further research into cultural and other factors that may be responsible for overall low levels of interest in personal selling among undergraduate students in India.

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Legal Challenges In Combating Corruption By Unearthing Black Money From Outside Territory Of India

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Abstract: *Black money does not limit itself to the geo-political boundaries. It transcends borders and has become a global problem. The countries across the world have started a concerted global effort and as a part of global effort against black money, India has played a proactive role in pointing out deficiencies in the assessment of various countries by the Peer Review Group of the Global Forum. Government is also playing an active role in ensuring that these countries remove the deficiencies to bring more transparency. India has joined the Task Force on Financial Integrity and Economic Development in order to bring greater transparency and accountability in the financial system.*

Key Words: *Black Money, Corruption, Legal, Government.*

The Government has been constantly trying to strengthen the legislative frame work to control generation of black money in the country as well as control the flight of such illicit fund to foreign shores. How measures the Direct Taxes Code Bill, 2009 will play a key role in unearthing black money. Whether The Prevention of Money Laundering Act is sufficient enough to expand their dimension in laundering investigation? Whether after ratification of United Nations Convention Against Corruption (UNCAC), the Prevention of Bribery of Foreign Public Officials and Officials of Public International Organizations Bill, 2011 and how the recent amendment in the Prevention of Corruption Act, 1988 which is aimed at plugging the loophole relating to supply-side culpability, is successful? Whether institutional arrangements made by Government at different platform are capable enough to evaluate black money stored secretly inside and outside country? There is need of comprehensive legislation in our country which create a platform network of Double Taxation Avoidance Agreements (DTAAs) and Tax Information Exchange Agreements (TIEAs) as per International Standard, Lokpal and Lokayukta Bill, Whistleblower's Bill.

Whether Renegotiation of Double Taxation Avoidance Agreements (DTAAs) with other countries to bring the Article on Exchange of Information to International Standards, and expanding out treaty network by signing new DTAAs and by entering into Tax Information

Exchange Agreements (TIEAs) with many tax jurisdictions to facilitate the exchange of information is a satisfactory solution? Whether the adoption of the International Standards of Financial Reporting and Disclosure Standards for FDI flows into Indian companies can combat corruption. How legal challenges create an obstacle in abolishing participatory notes which affect very badly our financial system?

Introduction

Corruption is a serious problem since immemorial. But this problem is emerging & spreading like cancer post independence. Corruption has become complex in several phases resulting in a great impediment in the growth & development of the state. Bribe and misappropriation of public money are generally considered as the most common form of corruption. Violation of different legislations and complete aberration from social norms & values where misuse of public power is very prevalent at the cost exploiting others. It means disproportionate gain in the form monetary services will increase social & economic inequalities, because illegal gratification is encouraged in public as well as private sector. Post-independence, it has been realised that economic growth is important for good governance. Proper income distribution, expansion of trade in all dimensions opened many economic opportunities for traders as well as for the government. But

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faster rate of economic growth exist & connect together with illicit flow of money circulation in the market. Though, monopolistic trade practice encouraged unfair trade practice among traders. With the introduction of liberalisation, globalisation and privatisation, economic reform is surging very fast. But, there is increased output of ill-gotten wealth utilised in real estate and every financial sector. It also laid down a very bad impact on overall economy where there is generation of unaccounted money with less transparency stashed within India and outside India. Unaccounted money can be generated through doubtful source of money with no accountability. It is also considered as one of the form of black money which is secretly stored and invested in various sectors. Black money can be unfolded through sale of commodities more than deserving price and where there is a possibility of avoidance of stamp duties, registration fees and facilitating trade through dubious means like bribery, illegal gratification, illegal hoarding. The most common way of generating black money is through tax evasion where there is no accountability and answerability to fiscal authorities, though earning is through legal means. Unaccounted money can also be generated through drug abuse, economic offences, corruption and activities which are illegal in India. So, illegitimate source of collecting money will definitely exploit public which may include oppressed group of people and overall it will result in adverse impact on the economy.

There is another dimension to elucidate corruption in the form of black money that is corrupt practices like misappropriation of funds & assets executed by government servants who are deviated from their responsibilities. The greed for illegal monetary gain shows lack of probity and allegiance towards state and society at large.

So, in its broadest sense, corruption is encouraged & propagated systematically in all classes of social stratification. Misuse of power by official holding a position, open admission of illegal gratification becomes a tradition in the society. Now corruption has become global as well as comprehensive phenomenon. Because there are different causes of deeply rooted corruption. It can be classified into various factors like economic, social, political and legislative. The economic causes include

inflation, property transaction in real estate market, adversarial trade practice followed by abuse of dominant position & different anti-competitive agreement so as to get unconscionable high profit, etc.

The social causes include excessive expectation of materialism, social disparity where exploitation are done by dominant group holding power, lack of consumer's education, misuse of licensing system and official culture of completing task through bribery or illegal transaction which may encourage backdoor deals. It has been realised that transformation of political system is very necessary for a healthy democracy. Political reform is very tedious task because there is lack of selfless interest and seriousness on the political parties. Political nepotism & political favouritism become a matter of convenience for facilitating tasks in unconscionable manner. In the era of 1980-90, it was observed that political parties were having association with criminals, drug mafia as a result of which money laundering emerged as threat. Lack of transparency in political funding seems to a major concern even now. Unknown sources of funding raises a big question on credibility on expenditure made during election. Political corruption is nothing but exploitation of political powers for monetary gains of politicians. Inefficient legislation creates a barrier in access to justice. Inadequacy of proper law and non-implementation of laws create more hindrances to electoral reforms. Speedy disposal of high profile corruption cases seems very tedious and unrealistic.

Public discussion and inquisitiveness on black money (corruption) has enraged curiosity among civil societies and media which take it as a prominent issue which needs to be analysed & resolved. Government of India through Ministry of finance made an attempt in the year 2012 where a white paper was prepared after thorough analysis & introspection. The White Paper on black money where illegal cash flow within India and cross border where different deposits exist in different countries.¹

It was observed that black money has no specific definition but there are certain conditions where it reflects the scope of black money: cumulative & accumulative income which are taxable, but it has not been reported to tax authorities where there is deliberate evasion of income tax, sales tax,

¹ Central Board of Direct Taxes, "White Paper", Black Money, Ministry of Finance, Department of Revenue, New Delhi, May 2012, available at: http://www.finmin.nic.in/reports/WhitePaper_BackMoney2012.pdf (last visited on 15th Feb., 2015)

stamp duty, etc. Wilfully non-compliance of industrial laws where generation of illegal cash flow will be encouraged.

Aspect which leads to genesis of Black Money

Post-independence, many committees were formed to know the root cause & check corruption; their approach didn't give positive result as black money is the most obvious consequence of escalating corruption. The most unfortunate official custom is large scale of bribery followed at every stage. Forgery, illicit trade, trafficking of contraband goods, smuggling, fraudulent activities related to banking and non-banking institution are some anti-social as well as anti-economic elements which can bring economic instability. India ratifies UN Convention against corruption in year 2010. The main purpose of ratification is to get administrative & legal reforms through preventive measures against corruption. According to the convention, it is responsibility of every state party to promote proficiency & efficiency in public procurement. But efficiency can't be achieved with the help of expansion of services at every dimension. Proper scrutiny and introspection is equally important for maintaining the standard of fair governance.²

The convention specifically calls for criminalization by state parties so that they can make domestic laws to check on money laundering and embezzlement of funds through illicit flow. Cooperation with other states is also important in checking corruption where mutual legal collaboration throughout the proceeding either in collecting evidences or in freezing assets.

Various studies were made in analysing the cancer of corruption in India. Finally a report namely The Drivers and Dynamics of Illicit Financial Flows from India: 1948-2008 was prepared in November 2010 by Global Financial Integrity (GFI), which specifically emphasise that illegitimate income distribution and unauthorized impediments in money circulation leads to more illegal financial flow within the country.³

Inefficient government policy and inadequate provisions in legislation like Prevention of Corruption Act, 1988 created a way to do trade with open handed strategy. Deregulation and removal of unwanted trade barriers post liberalization, overall standard of economy has improved drastically. But, these changes in form of development or expansion is so much connected with illicit financial flow that it put adverse impact on economy. The purpose to expand economic reforms went through a stage of undergrowth where a parallel economy took birth in the black money. There is another issue which has to be looked upon seriously i.e., transfer mispricing where manipulation of market price is very common where two possible major discrepancy in form illicit cash can be generated, either through re-invoicing practice where prices can be changed by including unnecessary extra charges in invoice in case of imports. Whereas a trade entity sell goods at very reduced price to other entities in different countries with less tax charges. This type transfer mispricing is very prevalent in situation of tax haven is created where taxes are levied at a very low rate, and financial secrecy will give benefit to the entity by getting maximum profits. This may encourage tax evasion techniques. The only solution to check this process is to remove this opaque strategy which has been adopted & transparency should be implemented in which country to country mutual collaboration and assistance is required to get report on sales, profits, revenues generated on the basis of action planned, name and other details of its subsidiary like cost information and tax charges.⁴

Tax evasion which is the most common means to achieve black money is either through opaque structuring of the taxpayer in case of company or through unscrupulous & deceitful transactions which are not entered in the books of account by the taxpayer. Fabrication of book of accounts, discrepancy of sale receipt, existence of forged documents showing false expenditure & capital. These types of unfair practices are prevalent and highly encouraged in real estate, commodity market, sale of jewellery, gambling and other vulnerable sectors. Corruption control seems feasible through economic inclusiveness and proper regulation over macroeconomics

² Samuel Rubinfeld, "India Ratifies UN Convention Against Corruption", The Wall Street Journal Blog, available at :<http://blogs.wsj.com/corruption-curents/2011/05/12/india-ratifies-un-convention-against-corruption/> (last visited on 19th Feb., 2015)

³ Dev Kar (November 2010), "The Drivers and Dynamics of Illicit Financial Flows from India: 1948-2008", Global Financial Integrity (GFI), Retrieved from <http://www.gfintegrity.org/report/country-case-study-india/> (last visited on 18th Feb., 2015)

⁴ Tax Justice Network, "Transfer Pricing", available at: <http://www.taxjustice.net/topics/corporate-tax/transfer-pricing/> (last visited on 23rd Feb., 2015)

⁵ A study on Widening tax base and tackling black Money, "Generation of black money in various sectors of Indian economy", FICCI, Feb., 2015, Chap. 2 (pg. 10), available at: <http://www.ficci.com/spdocument/20548/STUDY-ON-WIDENING-OF-TAX-BASE-AND-TACKLING-BLACK-MONEY.pdf> (last visited on 11th March, 2015)

imbalances.⁵

India as a developing state plays a very crucial role in global economic reform at every international forum. Being a country member of G20, it has become important to complete actions to achieve governance.⁶ G20 has main objective for its members to get bring radical change in economy of country members and mutual international collaboration in trade. With the objective to achieve progressive overhaul, G20 summits promotes comprehensive development from the grass-root level by giving priority to transformation of economic policies, healthy competition, providing smooth trade facility without any restrictions or barriers. Economic capacity to take suitable actions against economic vulnerability & financial crisis.⁷

Member countries realized the importance of transparent capital mobility with advanced technology to trade portability without cases like tax avoidance. That is why cooperation among member countries is important so that member countries can have exchange of mutual information with various countries so that there won't be any suppression of vulnerable information which deals with illicit financial flow. Income distribution and accounts in banks in different countries can be scrutinised on annual basis. It is expected from India to expand tax cooperation policy agreement with different countries and exchange of information should be ratified. Though G20 summit's collective decision was legally binding as such on members but as a consequent of it, India has ratified the Convention on mutual administrative assistance in tax matters, which is a multilateral agreement jointly broadened by the Council of Europe and the OECD in June 2011.⁸ The possible threats of tax avoidance, money laundering has cautioned as well as created a responsibility to have a platform to analyse tax complications & introspect tax collection. With the objective of economic growth, The Organisation for

economic development and cooperation (OECD) has set a target to restrict anti- competitive practices and provide a check & balance mechanism on conflicting effect of anti –competitive practices on public procurement.⁹

The OECD Anti-Bribery Convention came into existence with a meaningful purpose for developing countries to reduce corruption at international forum in their respective international trade.¹⁰ India cannot ratify this particular convention because it doesn't have strong domestic legislation. Government made an attempt by introducing The Prevention of Bribery of Foreign Public Officials and Officials of Public International Organisations Bill in the year 2011, but unfortunately it was lapsed.¹¹ India will have advantages after attaining ratification of this convention where it can raise serious concerns regarding bribery & trade malpractices and mutual cooperation with different countries regarding support in resolving complications or exchange of information will become convenient. So a strong legislation is required in this regard without any undue delay.

Social & Economic Impact of Black Money

Black money has become an impediment in the overall progress of the country. It has many adverse impacts socially, politically and economically.

1. The worse impact is on the complete failure of common good principle and proper income distribution as justified in Article 38 & 39 of the Constitution. State inaction and inefficient governance has created economic inequality & misallocation of resources which widened up for restrictive fair practices ultimately resulted into anti-competitive measures in the market.
2. Monopoly and concentration of wealth will

6 G20 Members, "About G20", available at: <https://g20.org/about-g20/g20-members/> (last visited on 21st Feb., 2015)

7 Manish Chand, "India at G20: A Fine Balance", Ministry of External Affairs, Government of India, available at: <http://mea.gov.in/in-focus-article.htm?24239/India+at+G20+A+Fine+Balance> (last visited on 14th Feb., 2015).⁴ Tax Justice Network, "Transfer Pricing", available at: <http://www.taxjustice.net/topics/corporate-tax/transfer-pricing/> (last visited on 23rd Feb., 2015)

8 OECD, "Tax: India ratifies Convention on Mutual Administrative Assistance in Tax Matters", available at: <http://www.oecd.org/newsroom/taxindiaratifiesconvention-onmutualadministrativeassistanceintaxmatters.htm> (last visited on 25th Feb., 2015.)

9 OECD, "Fighting bid rigging in public procurement", Cartels and anti-competitive agreements, available at: <http://www.oecd.org/competition/cartels/fightingbidrigginginpublicprocurement.htm> (last visited on 18th Feb., 2015) OECD,

10 "OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and Related Documents", 2011, available at: http://www.oecd.org/daf/anti-bribery/ConvCombatBribery_ENG.pdf (last visited on 17th Jan., 2015)

11 "The Prevention of Bribery of Foreign Public Officials and Officials of Public International Organisations Bill, 2011", Security/ Law/ Strategic affairs, PRS Legislative Research, available at: <http://www.prsindia.org/billtrack/the-prevention-of-bribery-of-foreign-public-officials-and-officials-of-public-international-organisations-bill-2011-1601/> (last visited on 20th Feb., 2015)

definitely give disproportionate gain to big companies by exploiting poor sections of the society. It will result into poverty or scarcity of necessary resources.

3. The financial base of the country is based on tax revenue generated from public. Whenever Government of India tries to reduce fiscal deficit, but tax evasion, tax arrears on big companies, arbitrary high interest rate and non-enforceability of tax laws effect adversely on fiscal structure of the economy. It may lead to unstoppable inflation.
4. Nexus between big companies, politicians, criminals and mafia group encouraged many anti-social activities which may take form of white collar crime, excessive money laundering, hawala transaction.
5. It has become a common knowledge now that black money has been stored/ stashed within the country and outside the country. Real estate is the main sector where misappropriations of funds are highly reflected. Unreasonably high price become a source to generate maximum profit. Benami transaction is also a way for rich investors to have many properties in their name, thereby generate black money. A legislation in the form Benami transaction(Prohibition) Act was passed in the year 1988 to stop this malpractice. But the legislation seems inefficient and failed to curb the menace of black money where benami transaction is the way-out with having either some reservation in the title of ownership or forged documents. It was realised to look upon seriously on the issue of benami properties that is why it is necessary to develop a strong legislation to control this malpractice.¹²
6. It is important to have free and fair election in every healthy democratic country. Transparency must not only exist in conduct or procedure of election process but it also reflects in fundings and

contribution of political parties during election. Electoral reforms won't be possible until unless transparency in accounts of political parties. Political corruption is such a grey area of concern where it is not easy to crackdown the corrupted practice due to lack of inefficient legislation. Political funding and bid rigging practice for monetary benefit of corporate presents a opaque style of governance.

It was observed in the case of Association for Democratic Reforms v. Union of India and others¹³ in which Delhi high court decided on the same where foreign contribution and contribution from government undertaking is violative of Foreign Contribution(Regulation) Act,1976 and Representation of People's Act,1951 respectively.

Need for Exchange of Information

The issue of unaccounted money and illicit flow of cash stashed abroad become a subject matter of electoral issue for political parties especially when different kind of scams and corruption charges on politicians are taken seriously by investigating authorities like Central Bureau of Investigation, Central Vigilance Commission, Income Tax Department, Enforcement of Directorate, Security Exchange Board of India, National Investigation Agency. These issues took the shape of national concern especially when it was well discussed and enraged seriously by general public, NGOs along with the support of media agencies which played a very constructive role. Black money originator can be either an influential person who is having clutch of political patronage or big companies or unscrupulous charitable funds or deceitful civil societies. Black money can either be utilised within the country in real estate, jewellery or stored in tax havens.

Post liberalisation, the dimension of international trade transaction is expanded drastically with help of advanced technologies. Big companies have option to open many shell companies in different countries and accounts are opened in banks in the name of respective companies. Unaccounted money and non taxable money can be deposited by companies. Banks in developing countries

¹² "The Benami transaction(Prohibition) Act,1988", Ministry of Finance, Government of India, available at:http://finmin.nic.in/law/Benami%20Transaction_Prohibition_%20Act1988.pdf(last visited on 19th Feb.,2015)

¹³ W.P.(C)131/2013. Judgment delivered on 28th March,2014.

generally provide special protection to account holders where their identity and their specific amount deposited can't disclose easily. There is another way to deposit black money by companies with the help of hawala operators and thereby converting into foreign currency. Both ways can pave easy way tax evasion. It realises the importance exchange of specific information like account holder, amount deposited and whether money deposited is taxable or not. But it is very difficult process to get information.

India entered into Tax Information Exchange Agreements (TIEAs) and Double Taxation Avoidance Agreement (DTAA) with few countries. Tax Information Exchange Agreements can be useful tool in getting information in an expedite manner. But it requires government's constructive efforts and relentless approach to frame policy.¹⁴

Government should extend the powers of Financial Intelligent Unit to assess tax ambiguity created by tax defaulters abroad who involved in tax evasion. Financial Intelligent Unit functions in legal framework developed by Prevention of Money Laundering Act. This body has to perform by adopting international standards established by Financial Action Task Force. It has power to investigate money laundering cases and it can introspect every transaction even by compelling banks to furnish informations and keeping the records. So it is important to bring changes in The Prevention of Money Laundering (Amendment) Act, 2012 where punitive & inspection powers should be increased.¹⁵

Double Taxation Avoidance Agreement is facility cum arrangement between two countries with an objective to encourage companies to expand their trade without violation of tax laws. This arrangement require a person to pay tax in country of residence (other country), but he doesn't have to pay tax in his own country. The menace of illicit flow of funds raises debates tax havens. Generally, many Double Taxation Avoidance Agreement with different countries have a confidentiality clause in which

identity of an account holder must not be revealed without any substantial evidence of crime. But confidentiality clause won't effect in investigation process because if a problem is a matter of national interest then, it needs to be investigated with great scrutiny without disclosing anything. So plea of confidentiality clause is not related with exchange of information and corruption being a subject matter of national interest will definitely be given priority. So, Government of India has to expand and make as many as automatic information exchange agreements with countries across the world in which there is no need to make specific request or fulfil any complicated procedure.¹⁶

Secondly, the point of deliberation which needs to be observed is India's commitment towards social & economic security from national perspective especially when Government of India ratified United Nation Convention against Corruption.¹⁷ It is important to uphold transparency in the system by introducing strict & deterrent legislation and mutual international assistance with country members in exchange of sensitive information and investigation.

Actions needs to be taken to curb the cancer of Black Money

Different committees made their analytical reports on how much amount stashed aboard in different banks across the world. Similarly black money exist in the country in different forms. It is very difficult to find out the exact amount of black money exist within country or deposited outside country. It may not be easy task to get information regarding account's details in banks. It is important to access those informations in expedite manner otherwise it won't be easy to prove illegality of money deposits. Keeping in mind this issue, it is important to take some appropriate action to control the menace of black money:

1. Regulation over Participatory notes

Participatory notes are used by overseas investors that are not registered by Securities Exchange

¹⁴ Voice of Chartered Accountants, "India to blacklist tax havens not sharing info", available at: <http://voiceofca.in/siteadmin/document/Indiatoblacklisttaxhavensnotsharinginfo.pdf> (last visited on 22nd Feb., 2015)

¹⁵ "The Prevention of Money Laundering (Amendment) Act, 2012" (No.2 of 2013), Ministry of Law & Justice Legislative Department, available at : <http://indiacode.nic.in/acts-in-pdf/022013.pdf> (last visited on 16th Feb., 2015)

¹⁶ CS PR. Raamaaanathan, "Double Taxation Avoidance Agreements- A concise Overview", Taxmann Publication available at : http://www.taxmann.com/taxmannFlash-es/Flashart2-12-09_1.htm (last visited on 11th March, 2015)

¹⁷ United Nations Office on Drugs and Crime, "United Nations Convention against Corruption Signature and Ratification Status as of 1 April 2015", available at <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html> (last visited on 16th Feb., 2015)

Board of India. These are issued by foreign institutional investors. It serve a purpose to expand trade in less complicated transaction. It has an advantage of exemption of taxation. But there is apprehension that it may result to economic deprivation because they are used from outside country so it open to exploitation & misuse.¹⁸

It become one of good source to generate black money because registration process is very simplified. An identification procedure like Know your customer(KYC) is not implemented at all and it become possible to retain anonymity because there is no requirement to produce a specific identity card like Permanent card number(PAN). Undue advantage will definitely be taken by overseas investors.¹⁹

Now Securities Exchange Board of India(SEBI) imposed a new rule to put strict regulation over participatory notes where SEBI registered foreign portfolio investor can issue Participatory notes only to those investors based in specific countries whose securities market and central bank are official members of International Organization of Securities Commissions and Bank for International Settlements. Participatory notes cannot be issued to companies based in a country with does not implement Anti Money Laundering& Combating Financial Terrorism regulations in the form of legislation and regulation based policy. Participatory notes should not issued to entities based in a country which is included in Financial Action Task Force blacklist countries which does not show any cooperation to fight against money laundering globally.²⁰

2. Effective implementation of Voluntary Disclosure

of Income scheme

Voluntary Disclosure of Income scheme can be an honest step forward to check on the menace of black money. This has to be started again. A chance can be given to tax defaulters, big companies to reveal their undisclosed money to according to current interest rate. This scheme can ensure transparency without any complication irrespective of success rate. A declaration can be made by a person who willingly disclosing his income as a consequence of which he may get immunity from punitive measures as mentioned in Foreign Exchange Management Act,1999, Income Tax act,1961 and Companies Act,2013.²¹

3. Regular scrutiny is required on Exchange Earners' Foreign Account which is recognised by Reserve Bank of India. Specific changes should be brought especially close relative should not be allowed to open account as joint holder. Specific guidelines should be introduced to include the facility of Know your customer policy and introspection over unaccounted money and full cooperation should be given to investigating authorities even in case of disclosing certain transaction related information.²²
4. Strong legislations should be passed without any intervention and undue delay

With the presence of various investigation agencies like Central Board of Direct Taxes(CBDT), Central Board of Excise and Customs(CBEC), Enforcement Directorate, Financial Intelligent Unit, Central Bureau of Investigation , National Investigation Agency; it become cumbersome to determine the probe in expedite manner due to certain reservation and limited powers. That is why many high profile corruption cases went

18 Lisa Pallavi Barbora, "De-jargoned: Participatory notes, Money", Live mint, available at: <http://www.livemint.com/Money/T8qsjsjgPn34MjRyRFD5QVK/Dejargoned-Participatory-notes.html> (last visited on 16th Feb.,2015)

19 Ibid.

20 Money control Bureau , "Sebi tightens P-note rule to curb black money via FII route", available at : http://www.moneycontrol.com/news/market-news/sebi-tightens-p-note-rule-to-curb-black-money-via-fii-route_1236929.html?utm_source=ref_article (last visited on 15th Feb.,2015)

21 Central Board of Direct Taxes , "Strategies for Repatriation of Black Money", Black Money, White paper, Ministry of Finance, New Delhi, May 2012, Chap.5, pg no. 66-68), available at: http://www.finmin.nic.in/reports/WhitePaper_BackMoney2012.pdf (last visited on 2th Feb.,2015)

22 "Exchange Earner's Foreign Currency (EEFC) Account", FAQ, Reserve Bank of India, available at : <https://rbi.org.in/Scripts/FAQView.aspx?Id=21> (last visited on 14th Feb.,2015)

unchecked or delayed investigation hampered justice system. Several reports of Comptroller and Auditor General of India (CAG) regarding undue financial favours to big companies or major financial discrepancy go unheard. So it become necessary to bring overhauling changes related to black money in legislations like The Lokpal and lokayuktas Act, 2013, Prevention of money laundering (Amendment) Act, 2012, Foreign Contribution (Regulation) Act, 2010, The Prevention of Corruption (Amendment) Bill, 2013, Foreign Exchange Management Act, 1999. The Representation of the People (Amendment and Validation) Act, 2013. It is equally necessary to avoid interface & ambiguity in the powers of investigating authority as prescribed in the anti-corruption legislation. So, it is important to reduce limitation & unreasonable restriction over the powers of investigating authorities so as to maintain impartial & independent investigation otherwise Special Investigation Team as appointed by Supreme Court for various corruption cases won't get fair justice without any delay.

Punitive powers and investigation powers should be increased so that there won't be influence or any kind of undue pressure on investigation agencies, because it is important to have impartial speedy investigation for fair justice.²³

Conclusion

With the expansion of trade and fast economic progress, it is important to achieve inclusive growth in the era of transparency. Overall economy is deeply connected with black money, it is very difficult to unearth black money where it is necessary check and balance fiscal deficit and promote fiscal consolidation. Inclusive growth won't be achieved if there won't be proper distribution of income, smooth determination of trade in commodities market as well as securities market. Any kind of opaque structural policy must be discouraged by extending the purview of strong legislations, because black money problem can't be resolved by one country. Black money being international

problem can be resolved through proper international collaboration in the form multilateral agreements which must have binding force instead of opinionated character. It is important for Government of India to have automatic Exchange of Information Agreement with many countries to abolish the system of tax havens. Domestic Corruption needs to be dealt with equal impetus where strong & fair legislation should be brought to regulate real estate and land acquisition so that misuse of power can be curtailed.

²³ Central Board of Direct Taxes, "Institution to deal with black money", Black Money, White paper, Ministry of Finance, New Delhi, May 2012, Chapter 3, pg 20, available at : http://www.finmin.nic.in/reports/WhitePaper_BackMoney2012.pdf (last visited on 16th Feb., 2015)

Comparison Of Lock-Based And Timestamp-Based Concurrency Control Protocol

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Abstract: In a multiprogramming environment where multiple transactions can be executed simultaneously, concurrency control mechanism is used to coordinate simultaneous transactions while preserving data integrity. Concurrency control protocols ensure atomicity, isolation, and serializability of concurrent transactions.

In this paper, we discussed two main concurrency techniques, their advantages and disadvantages with their performance issues and comparison.

Key Words: Concurrency, Locking, Serializability, Transaction.

Introduction

Concurrency control is a database management systems (DBMS) concept that is used to address conflicts with the simultaneous accessing or altering of data that can occur with a multi-user system. Concurrency control, when applied to a DBMS, is meant to coordinate simultaneous transactions while preserving data integrity.

Interactions among transactions can cause the database to become inconsistent, even when the transactions individually preserve correctness of the state, and there is no system failure. Thus the order in which the individual steps of different transactions occur needs to be regulated in some manner. The function of controlling these steps is given to the scheduler component of the DBMS, and the general process of assuring that transactions preserve consistency when executing simultaneously is called concurrency control. Concurrency Control can be achieved through various techniques known as concurrency control schemes.

Concurrency Control Techniques

Purpose of Concurrency Control is to enforce Isolation among conflicting transactions, to preserve database consistency and to resolve read-write and write-write

conflicts. In this Paper we will compare two main techniques of concurrency control :

- Lock Based Protocols
- Time Stamp Protocols

Lock Based Protocols

Locking is Technique used to control concurrent access to Data. Locking is the one of the most widely used technique to ensure serializability. Principle used in locking Technique is as fallows. "A transaction must contain a read or write lock on data item before it can perform a read or write operation".

The basic rules implemented in locking technique are as follows:

- If a transaction has read lock on a data item. It can perform only read operation not write.
- If a transaction has read lock on a data item and other transaction want to use it then it can implement only read lock not write lock on this data.

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- If a transaction has write lock on a data item. It can perform both read operation and write operation.
- If a transaction has write lock on a data item and other transaction want to use it then it can implement neither read lock nor write lock on this data

its value but no write lock can be applied on X by any other transaction.

	Read	Write
Read	Y	N
Write	N	N

Data Items can be locked in two modes:

- Exclusive Mode Lock: Write lock (X). Only one write lock on X can exist at any time and no shared lock can be applied by any other transaction on X.
- Shared mode: shared lock (S). More than one transaction can apply share lock on X for reading

Two-Phase Locking Techniques: Essential components

Lock Manager: Managing locks on data items.

Lock table: Lock manager uses it to store the identity of transaction locking (the data item, lock mode and pointer to the next data item locked). One simple way to implement a lock table is through linked list.

Transaction ID	Data item id	lock mode	Ptr to next data item
T1	X1	Read	Next

Two-Phase Locking Techniques: The algorithm

- **Two Phases:** (a) Locking (Growing)
(b) Unlocking (Shrinking).
- **Locking (Growing) Phase:** A transaction applies locks (read or write) on desired data items one at a time.
- **Unlocking (Shrinking) Phase:** A transaction unlocks its locked data items one at a time.
- **Requirement:** For a transaction these two phases must be mutually exclusively, that is, during locking phase unlocking phase must not start and during unlocking phase locking phase must not begin.

A timestamp can be implemented in two ways. The simplest one is to directly assign the current value of the clock to the transaction or the data item. The other policy is to attach the value of a logical counter that keeps incrementing as new timestamps are required. The timestamp of a transaction denotes the time when it was first activated. The timestamp of a data item can be of the following two types:

W-timestamp (Q): This means the latest time when the data item Q has been written into.

R-timestamp (Q): This means the latest time when the data item Q has been read from.

These two timestamps are updated each time a successful read/write operation is performed on the data item Q.

Time Stamp Based Algorithm:

The idea for this scheme is to order the transactions based on their timestamps. A **timestamp** is a tag that can be attached to any transaction or any data item, which denotes a specific time on which the transaction or data item had been activated in any way.

How should timestamps be used?

A schedule in which the transactions participate is then serializable, and the equivalent serial schedule has the transactions in order of their timestamp values. This is called timestamp ordering (TO). In timestamp ordering, however, the schedule is equivalent to the particular

serial order corresponding to the order of the transaction timestamps. The timestamp ordering protocol ensures that any pair of conflicting read/write operations will be executed in their respective timestamp order. This is an alternative solution to using locks.

For Read operations:

1. If $TS(T) < W\text{-timestamp}(Q)$, then the transaction T is trying to read a value of data item Q which has already been overwritten by some other transaction. Hence the value which T wanted to read from Q does not exist there anymore, and T would be rolled back.
2. If $TS(T) \geq W\text{-timestamp}(Q)$, then the transaction T is trying to read a value of data item Q which has been written and committed by some other transaction earlier. Hence T will be allowed to read the value of Q, and the R-timestamp of Q

should be updated to $TS(T)$.

For Write operations:

- If $TS(T) < R\text{-timestamp}(Q)$, then it means that the system has waited too long for transaction T to write its value, and the delay has become so great that it has allowed another transaction to read the old value of data item Q. In such a case T has lost its relevance and will be rolled back.
- Else if $TS(T) < W\text{-timestamp}(Q)$, then transaction T has delayed so much that the system has allowed another transaction to write into the data item Q. In such a case too, T has lost its relevance and will be rolled back.
- Otherwise the system executes transaction T and updates the W-timestamp of Q to $TS(T)$.

Comparison of Protocols for concurrency control

S.No.	Lock-Based Protocols	Timestamp-Based Protocols
1. Serializability	Locking ensures serializability for any types of transactions. In locking, serialisation order decided dynamically. However, there can be conflict serializable schedules that cannot be obtained if two-phase locking is used.	The timestamp-ordering protocol ensures conflict serializability. This is because conflicting operations are processed in timestamp order. In timestamp ordering, serialisation order decided statically.
2. Performance	Locking is better for transactions where update-intensive transactions are greater than reads-only transactions.	Timestamp ordering is better for transactions where read only transaction greater than update-intensive transactions.
3. Rollback and Deadlock handling	The potential for deadlock exists in most locking protocols because in locking, transactions wait but can get deadlock. Starvation is also possible if concurrency control manager is badly designed.	Timestamp protocol ensures freedom from deadlocks, as no transaction has to wait for other. In timestamp ordering, immediate aborts strategy is used. So there is a possibility of starvation of long transactions if a sequence of conflicting short transactions causes repeated restarting of the long transaction. In timestamp ordering, immediate aborts strategy is used.

Conclusion

Locking protocols executes in three parts. In the first part, when transaction starts executing, transaction seeks grant

for locks it needs as it executes. Second part is where the transaction acquires all locks and no other lock is required.

Transaction keeps executing its operation. As soon as the transaction releases its first lock, the third phase starts. In this phase a transaction cannot demand for any lock but only releases the acquired locks.

In Timestamp based protocol, Every transaction has a time-stamp associated with it and the ordering is determined by the age of the transaction. This protocol uses either system time or logical counter to be used as a time-stamp. Locking Protocols follow serializability, but there are locking overhead and they are not free from deadlocks. There is also, unnecessary locking overhead for read transactions.

Time stamp protocols transactions are conflict-free. Also it gives better concurrency control over locking protocols because transactions do not block each other needlessly. but they suffers with large amount of rollbacks.

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An Analysis of the Spiritual Orientation of an Organization

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Abstract: *In this era of modernization, materialism, cut throat competition and hectic life schedule, people are much prone to depression, anxiety, stress and frustration. While running towards their goal, people become more ambitious and forget their purpose of life. There is the need to maintain the balance between personal life and professional life. Work place spirituality or application of spiritual principals in the work setting is becoming an increasingly relevant. A spiritual business organisation increases employee productivity and satisfaction.*

The objective of this paper is to understand the importance of spirituality in organisation and create an awareness & deep realisation of the significance and impact of spirituality components on employees and organisation.

Keywords: *Spirituality, Organisation, Self Realisation, Leadership, Performance, Balance.*

Introduction

The world is experiencing changing protocols, paradigm and practices. Societies, all around the world, or the global village as it is called is undergoing massive transformation (Capra, 1996;

Giacalone and Dafna, 2000;). The shift includes movement towards confusion, chaos (Gleick, 1987) and complexity (Lewin, 1992) on a negative note to trust, empowerment (Conger and Kanungo, 1988), transformational leadership (House and Shamir, 1993) and adaptive systems (Dooley, 1997) on a positive note. Such changes further lead to a shift in the functioning of business organizations from an economic perspective to a balance of profits, quality of life, spirituality, and social responsibility concerns (DeFoore and Renesch, 1995; Walsh et al., 2003). A change is also seen from self-centeredness to interconnectedness (Capra, 1993), a shift from self-interest to service and stewardship (Block, 1993; Neck and Milliman, 1994), and from a materialistic to a spiritual orientation (DeFoore and Renesch, 1995; Fox, 1994; Neal, 1997). This has led to a strategic shift in the way organizations think and operate. On similar lines, people at different levels – individual and organizational and looking for an integration of their work

life with their spiritual life (Miller, 1998).

Though the notion of spirituality dates back historically, it has gained attention only in the past few years (Bell and Taylor, 2001; Casey, 2004; Driver, 2005; Fry, 2003; Hicks, 2003; Krishnakumar and Neck, 2002; Lips-Wiersma, 2002). A remarkable interest in the field is manifested by several popular books on spiritual leadership (Bolman & Deal, 1995; Conger, 1994) and spiritual entrepreneurship (Chappel, 1993; Cohen & Greenfield, 1997). Various socio cultural and economic factors (Hicks, D.A. 2003) have also resulted in the sudden spur behind the exploration of this concept.

Research background

The concept of spirituality is more than a mere fad. It is a core element, an essence of a person which cannot be separated from him (Campuzano and Seteroff, 2009).

The word ‘Spirituality’ originates from the Latin word ‘*spiritus*’ or ‘*spiritualis*’ meaning breath or air or wind (Merriam-Webster). It refers to the animating or vital principle which gives life to physical

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organisms” (Merriam-Webster). The notion of spirituality is so vast that there is hardly any consensus regarding a universal, commonly accepted definition of the term. There exists more than 70 definitions of the term ‘spirituality’, without any of them being widely accepted (Markow and Klenke, 2005). For instance, Mitroff and Denton (1999) defined spirituality as ‘the basic feeling of being connected

with one’s complete self, others and the entire universe’; whereas Garcia-Zamor (2003) proposed it as ‘the life force that inhabits us when we are alive and breathing’. Similarly there are hundreds of researchers with their varied perspectives about the concept. A brief snapshot of the different notions of spirituality can be seen as follows:

Definitions of Spirituality

DEFINITION	SOURCE
A worldview plus a path	Cavanagh et al., 2001
Access to the sacred force that impels life	Nash and McLennan, 2001
The inner consciousness	Guillory, 2000
A process of self enlightenment	Barnett et al., 2000
The personal expression of ultimate concern	Emmons, 2000
The basic feeling of being connected with one’s complete self , others and the entire universe	Mitroff and Denton, 1999
The unique search for fullest personal development through participation into transcendent mystery	Delbecq, 1999
That which involves ultimate and personal truths	Wong, 1998
Spirituality is like capturing an angel, its ethereal and beautiful, but perplexing	Laabs, 1995
A specific form of work feeling that energizes action	Dehler and Welsh, 1994
The vital principle or animating force within living beings, that which constitutes one’s unseen intangible being; the real sense or significance of something	Scott, 1994
Pertaining to the innate capacity to, and tendency to seek to, transcend one’s current focus of centrality, which with transcendence involves increased knowledge and love	Chandler and Holden, 1992

The above mentioned variation of definitions is mainly attributed to two factors: first, the fact that “spirituality is a complex and multi-faceted construct” (Milliman et al., 2003, p. 428) and second, that “it is highly personal and abstract (Milliman et al., 2003, p. 428). This has led to different interpretations, hence leading people to their individualized understanding. Spirituality principles, when applied to an organizational setup, lead to positive outcomes. According to Krishnakumar and Neck “the experience of spirit at work is linked with increased creativity, honesty, trust, and commitment in the workplace, along with an enhanced sense of personal fulfillment of employees” (Krishnakumar and Neck, 2002, p. 154). Spirituality has also been known to be associated with making people more intelligent, wise (Heaton et al., 2004), empathetic (Miller, 2000), happy (Heaton et al., 2004), creative (Defoore and

Renesh, 1995), effective (Harung et al., 1996), committed (Garcia-Zamor, 2003), self-directed (Defoore and Renesh, 1996), motivated (Neck and Milliman, 1994), ethically sensitive (Chakraborty, 1993), innovative (Miller, 2000), flexible (Eisler and Montuori, 2003), responsible (Pawar, 2008), morally developed (Bass and Steidlmeier, 1999, in: Driscoll and McKee, 2007), and likely to build consensus (Bass and Steidlmeier, 1999; Driscoll and McKee, 2007). These are some of the advantages known to be associated with inculcation of the principles of spirituality in one’s life.

Workplace Spirituality

‘Workplace Spirituality’ or ‘application of spiritual principles in the work setting’ is becoming an increasingly

relevant topic of research in the last few years (Poole, 2009; Gotsis and Kortezi, 2008; Marques et al., 2007, 2009). A radical shift towards this area is the result of the changing and unreliable business environment, resulting in feelings of insecurity regarding one's place in the system (Giacalone & Jurkiewicz, 2003). Spirituality in the workplace is about people who perceive themselves as spirited beings, who want to experience real purpose and meaning at work beyond paychecks and performance reviews. It is about people sharing and experiencing some common attachment, attraction, and togetherness with each other within their work unit and the organization as a whole (Harrington, 2004). Though difficult to define, many researchers have attempted to explain the term using aspects such as a sense of meaning, community and transcendence (Ashmos and Duchon, 2000; Giacalone and Jurkiewicz, 2003; Kinjerski and Skrypnek, 2004). The notion of workplace spirituality has been well articulated (Dale, 1991; Fairholm, 1997, 1998; Fry, 2003; Hawley, 1993; Holland, 1989; Kunde & Cunningham, 2000). Giacalone and Jurkiewicz defines it as 'A framework of organizational values evidenced in the culture that promotes employees' experience of transcendence through the work process, facilitating their sense of being connected in a way that provides feelings of compassion and joy'. Interestingly, Jennifer Laabs (1995) talks about the diverse and complex nature of spirituality, mentioning that it is much easier to explain what spirituality in business is not than it is to define what spirituality in business is.

The increasing interest in workplace spirituality is mainly attributed to the numerous positive organizational constructs it leads to like better leadership (Conger, 1994), improved ethical behavior (Fort, 1995), increased creativity (Biberman & Whittey, 1997), improved productivity (Nash, 1994), higher employee effectiveness and reduced absenteeism and turnover (Giacalone & Jurkiewicz, 2003), and increased job performance (Neck & Milliman, 1999). Having a positive effect on both management processes (Lewis and Geroy, 2000; McCormick, 1994; Steingard, 2005) and leadership practices (Fairholm, 1996; Fry, 2003; Hicks, 2002), spirituality is positively associated with desirable organisational outcomes both at the qualitative and the quantitative level (Heaton et al., 2004; King and Crowther, 2004).

Spiritual Orientation In An Organization

Every organization is made up of people, who carry with themselves feelings, emotions, experiences and perspectives. Individuals have a unique combination of all of these, and hence bring unique and individual spirits to the workplace. Their high level of motivation to experience bliss, transcendence and harmony in their work is a measure of their spiritual orientation (Fry and Matherly, 2007). An organization's spiritual orientation deals with its degree of selflessness and sharing. It intertwines spirituality and profits (Gull & Doh, 2004), and is an expression of meaning and a place in which spirituality is expressed (Gull & Doh, 2004). It is not to be confused with concepts of occult, and hence be highly misinterpreted and misunderstood. Simply put, spirituality is the understanding of meaning and purpose (Campuzano and Seteroff, 2009), which gives a new competitive advantage in business. An organization having spiritual orientation supports both kinds of employees – those who desire a spiritual work environment, and those who are indifferent to it. Here, employees experience spirituality as a guiding force or a higher power (Mitroff & Denton, 1999) which intertwines with work and influences behavior.

An important consideration here is the presence of spiritual leaders inside the organization. Inculcation of principles of transcendence, oneness and selflessness among employees working at the higher levels of management leads to the development of a holistic vision inside the organization. Fry (2003, p. 694-695) defined spiritual leadership as "comprising the values, attitudes, and behaviors that are necessary to intrinsically motivate one's self and others so that they have a sense of spiritual survival through calling and membership." A comprehensive review of the literature reveals that, as suggested by Fairholm (1997) and Mitroff and Denton (1999a), there exists four primary dimensions of spiritual leadership; namely, religiousness, interconnectedness, sense of mission, and wholeness (holistic mindset).

Spiritual Business Organization Model

The success of an organization is dependent on a myriad of factors. Campuzano (2009) identified some such factors and weaved them into the Spiritual Business Organization Model. He categorized three separate elements for success of a spiritual organization – "Performance Systems Metrics, Spirituality Quotient, and Spiritualized Leadership". According to this model, a spiritual business

organization increases employee awareness and as a result increases employee satisfaction.

Figure 1. A Spiritual Business Organization Model (Campuzano & Seteroff, 2009,p10)



An analysis of all the three components establishes a converging relationship towards a high spiritual orientation of an organization. The first component – ‘performance system’ deals with acquiring a sense of purpose and meaning in the work being done which further leads to employee satisfaction and increased motivation. The second component of spirituality quotient includes mutual trust, respect, and responsibilities that are shared values. The responsibilities benefit the entire organization, therefore the leadership and employees experience an increased quality of life at work (Marques, 2006). It is also known to make employees take the correct choice for the correct reason (Marques, 2005). The third component of ‘Spiritual Leadership’ deals with heart and cognition. Spiritualized Leadership influences employees to reach a state of self-realization and the encouragement to attain goals that once appeared to be impossibility to actuality. The leader influences the organizational culture by values, connecting with others, practicing spirituality, and living a transparent lifestyle (Gull & Doh, 2004). Spiritual Leadership includes self-realization and implements a balance between family, work, and spirituality (Ashar & Lane-Maher, 2004).

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Impact And Trend Of Population Growth On Environmental Degradation For A Medium Sized City Sonapat

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Abstract: Population growth has a direct bearing on the global environment. This leads to growth in demand of the natural resources and as a result increased amount of waste is generated. Concern for population stabilization is gaining more significance with time as the life expectancy is increasing with improvement in the quality of life. Hence, numerous social and technological interventions for regulating the birth rate are being implemented.

Key Words: Population Growth, Birth Rate, Death Rate, Migration Rate.

Introduction

The planet Earth is the only living planet known to have life in the whole of universe. Improving the quality of life of people maintaining eco balance on this planet is the key element to all the developmental activities pursued at ever growing pace. However, it has been realized in the very recent past of the human history that the fast pace of developments is jeopardizing the eco balance and hence pose threat to the sustainable development. The humans inhabiting the planet strongly influence the other living species. They are always on the lookout to make more and more place for them.

Urban population is growing fast and contributes to the degradation of urban environment. With the growth of cities not only the resources face burden, municipal solid waste and waste water also increase (Rajeev et al., 2010). Handling, treatment and disposal of these wastes pose significant challenge to the municipal authorities. Scenarios, therefore, need to be developed and investigated for sustainable development, with demographic parameters forming an integral part of the waste management. Like some other countries, India, is conscious of the fact that the rate of population growth needs to be decreased substantially. Concern for population stabilization is gaining more significance with time as the life expectancy is increasing with improvement in the quality of life. In view of these facts, the population growth of a medium size city is investigated in this paper. Policy scenarios are

formulated to work out options for managing the urban environmental degradation.

Population Growth

The population increase is very much of concern throughout the world (Kelley and Schmidt, 2005). It is of great social, political and economic concern. In the last century, the human population has grown phenomenally. Nearly 95% of the population growth occurred in the developing countries during the last decade of the twentieth century. In view of linkages between population and environment, a vigorous drive for population control need hardly be emphasised.

World population exceeded 5 billion on 11th July 1987. The United Nations marks the anniversary of this day to think about population related issues. The population growth rate, however, slowed down to 1.17% in 2008 from 2.11% in 1970 (World Bank, 2010). Slowing of the population growth was due to global decline in fertility and increase in mortality in some regions, for instance HIV related increase in mortality in some parts of Africa. In 2009 the world population was estimated to reach 6.8 billion (United Nations, 2009). According to the projection of *World Population Prospects: The 2010 Revision*, brought out by the Population Division of the Department of Economic and Social Affairs of the United Nations

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Secretariat (launched on 3 May, 2011), the current world population of nearly 7 billion would reach 9.3 billion in 2050 and 10.1 billion in the beginning of the next century (United Nations, 2011a,b).

Increase of urban population in Asian and African countries, like in the western countries, is a consequence of the growth of world population. Migration of people to cities and towns for better amenities and jobs adds to the urban population growth. The fast expansion of cities to accommodate the growing population burdens the ecosystem.

In the list of countries ranked by population, People's Republic of China tops the list with nearly 19.5% of the world population followed by India with 17.5%, United States with 4.5%, Indonesia with 3.4% and others. Ten most populous countries account for nearly 60% of the world population. As per the latest estimates (Census, 2011), India with its population of 1,210,193,422 at 0:00 hours of 1st March, 2011 is the second most populous country in the world. India's population in 1901 was about 238.4 million, which increased to 1028.74 million in 2001. In the past 110 years the population has increased four times. Table 1 gives the population in this period (Census, 2011). Out of every ten persons in the world India has a little more than every six persons and four out of every ten persons live in the three most populous nations, namely, China, India and USA. The combined population of USA, Indonesia, Brazil, Pakistan, Bangladesh and Japan put together becomes almost equal to the population of India.

Nearly the population of Brazil is added to India's population in the last decade (2001-2011) when it has increased by 17.64% during this period. In 2001, the population of India was 1,028,737,436 (Census, 2001). The United Nations has forecasted that India with its projected population of 1.70 billion in 2060 (United Nations, 2011a) would overtake China with 1.40 billion people in the same period. China will slide to second position because of low birth rates. However, the decadal growth of population in India over the past 10 years has declined (Census, 2011). The decadal growth during 2001-2011 has registered sharpest decline. The decline is the maximum recorded so far after India's independence. The annual growth has been over 17 million. It is equal to the population of Australia and little more than that of Japan. The decadal growth rate of India's population taken from the Census 2011 report is plotted in Figure 1. The growth rate has registered a sharp decline over the last decade.

Geographically, the world population has grown disproportionately, being more pronounced in developing countries. Out of the 10 most populous countries 6 are in Asia. India has 2.4% of the global land of 135.79 million square kilometer for 17.5% of the world population. Overall population density in the country, which is higher than that of any other nation of comparable size, had risen from 216 persons per square kilometre in 1981 to 325 by 2001 (Census, 1991; Census, 2001). It has further gone up to 385 persons per square kilometre in 2010 due to the growth of population. Obviously, the population distribution is uneven across the country.

Table 1: Population growth of India over 110 years^a

Year	Population (million)	Year	Population (million)
1901	238.40	1961	439.23
1911	252.09	1971	548.16
1921	251.32	1981	683.33
1931	278.98	1991	846.42
1941	318.66	2001	1028.74
1951	361.09	2011	1210.19

^a Data values are taken from Census 2011 report

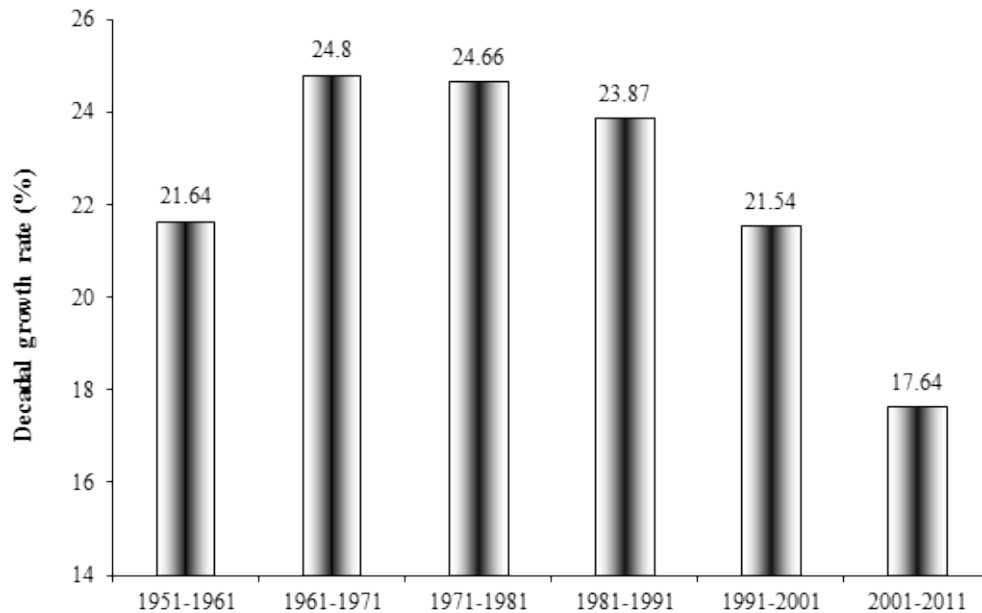


Figure 1: Decadal growth rate of population of India

Presently, several Asian countries, especially China and India, have high rates of economic growth. They also have the largest rural populations, but are urbanizing. According to the population figures given by the United Nations, out of ten most populous countries six are in Asia. Like some other countries, India, is conscious of the fact that the rate of population growth needs to be decreased substantially.

Population Growth of a City

Three major factors are considered to evaluate the population growth of a city, region or a country. These are the birth rate (fertility), the death rate (mortality) and the migration rate. As was mentioned earlier, people migrate from rural to urban areas in search of better amenities. At the same time people also move from one city or town to other places and net result of the immigration and emigration has to be considered. The birth rate and death rate are also crucial to obtain the age of people living in a city.

In this paper, we investigated the population growth of a city to develop policy scenarios to arrive at population

stabilization options. Component method and mathematical method can be used to make the projections. In this the combined effect of the population process components, i.e. fertility, mortality and migration are taken into account to project the population. In this a base population, rates of birth, death and migration during the period covered by the projection and a method was required to get the projected population. The birth, death and migration rates were taken as controlling factors. Investigations were made for the medium-sized city of Sonapat.

City of Sonapat, is in close proximity to the national capital city New Delhi. Being in the National Capital Region (NCR) of the country, the city has significant impact on the national capital. In 2001 the population of Sonapat District was 1,279,175 (Census, 2001). Table 2 gives the break-up of Sonapat district rural and urban population.

Table 2: Rural and urban break up of Sonipat district population in 2001^a

	Rural	Urban	Total
No. of households	164,586	58,756	223,342
Males	521,628	174,041	695,723
Females	436,118	147,334	583,452
Persons	957,800	321,375	1,279,175

^aCensus(2011), http://www.censusindia.gov.in/PopulationFinder/District_Master.aspx?state_code=06

Sonipat is a fast growing city. Its population growth needs to be regulated to achieve sustainable development of the city and the region as a whole. Projection of the population is, therefore, important to plan the growth of the city. Sonipat city is also the district headquarter city of the North Indian state, Haryana. Impact of the population growth of the city on the waste generation is studied to give projections for the years to come so as to manage urban environmental degradation.

Impact of Population Growth on Environment

The growing population and the associated economic development are of significant concern from the environmental point of view. These are responsible for fast exploitation of the natural resources (Pimentel, 1996) and have already become potential threat to the ecological balance established over the ages (Nagdeve, 2002). As mentioned earlier, population growth contributes to the expansion of cities, which also accommodate the influx of people from the rural areas (Flavin and Gardner, 2006). With the growth of population, the municipal limits are fast expanding and the waste disposal sites are becoming incorporated within residential or commercial zones. Agricultural land is acquired for buildings and other infrastructural facilities to be developed for the expansion of cities. As a consequence, the villages are engulfed by the fast expanding cities. New cities are also developed to accommodate the growing population. All these factors place serious pressure on the environment.

The urban activities have far-reaching and long-term environmental effects within its immediate boundaries as well as the region around the urban areas. Air, water and

land resources are not only exploited at increasing rates, but are also burdened with more and more pollutants (David et al., 1999). The natural eco-cycles established over the ages cannot recycle in totality the huge increase of the pollutants being added to the environment. Degradation of the environment due to the population growth has become a cause of concern and poses threat for the very survival of the living species on our planet. Several species have already become extinct and quite a few are under threat (Mishra, 2002).

Impact of population growth on municipal solid waste generation and water pollution are of interest for the investigations made in this paper. Scenarios for handling and treatment of solid waste and waste water, therefore, need to be developed to cope with the growth of population and manage the urban environmental degradation to have sustainable development of cities.

Conclusion

The growing population leads to increase in the amount of waste, and this increase poses serious threats to the environment including the underground water. Waste management in large cities is comparatively better and more efficient than management in small and medium sized Indian cities and towns. In Sonapat city, the management of waste needs significant attention in urban planning and development. Methods and solutions to address the issue of population growth and associated increase in the waste of a medium-sized city are of interest to the policy planners and decision makers.

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IPR / Copyright Issues In Creating Digital Library

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Abstract: *Information centers and Libraries going into the digital age, they face copyright and intellectual property problems at the time of services and making digital environment and using technologies to make copyright creation available to the public .*

Copyright issues are big and can be dangerous. It is necessary to present balance between, giving services/ information and protecting service providers, writers, publishers and librarians.

Key Words: *Copyright, Technologies, Libraries, Information, Law.*

Introduction

The legal right, given to the originator for a fixed number of years/time, to print, publish, perform, film, or record literary, artistic, or musical material. Permission to reproduce photographs and other copyright material. The term Intellectual Property Rights refers to the legal rights granted with the aim to protect the creations of the intellect. These rights include Industrial Property Rights : patents, industrial designs and trademarks and Copyright right of the Writer & inventor and rights of the performers, producers and broadcasting organizations.

Information and communication technology (ICT) and digital information have opened up new opportunities to access essential content and provide innovative services and scholarly information. Libraries provide access to digital material through a variety of legal constructs; license agreements, exceptions under national copyright law, legal deposit, and the public domain. Libraries in the west are already experiencing the problems associated with digital rights management (DRM). Material bought by the library has become inaccessible through technical protection measures. The result is that the material is effectively removed from the library collection.

Ant circumvention laws prevent libraries from availing themselves of their lawful exceptions under national copyright laws. This can prevent or place restrictions on copying or sharing or lending material, current

awareness services, book reviews, exhibitions, and sending information to students who can't come to the library. In short, libraries have fewer rights in the digital environment. Libraries have marched hand in hand, adapted and adopted themselves when any new technology had evolved paving way for electronic libraries, networked libraries, digital libraries, virtual libraries, etc. In each of the situations when libraries transformed there had been problem situations which have been tried to overcome, solve and find a resolution. Copyright issues have been in the forefront all times even when digital libraries stated to emerge.

What is Intellectual Property?

Intellectual property (IP) refers to creations of the mind, such as inventions; literary and artistic works; designs; and symbols, names and images used in commerce. IP is protected in law by, for example, patents, copyrights and trademarks which enable people to earn recognition or financial benefit from what they invent or create.

By striking the right balance between the interests of innovators and the wider public interest, the IP system aims to foster an environment in which creativity and innovation can flourish.

A broad categorical description for the set of intangibles

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owned and legally protected by a company from outside use or implementation without consent. Intellectual property can consist of patents, trade secrets, copyrights and trademarks, or simply ideas.

The concept of intellectual property relates to the fact that certain products of human intellect should be afforded the same protective rights that apply to physical property. Most developed economies have legal measures in place to protect both forms of property.

Companies are diligent when it comes to identifying and protecting intellectual property because it holds such high value in today's increasingly knowledge-based economy. Extracting value from intellectual property and preventing others from deriving value from it is an important responsibility for any company.

Many forms of IP cannot be listed on the balance sheet as assets, but the value of such property tends to be reflected in the price of the stock. Management's ability to manage these effectively and turn a profit is just one example.

Copyright

Copyright is a legal term used to describe the rights that creators have over their literary and artistic works. Works covered by copyright range from books, music, paintings, sculpture and films, to computer programs, databases, advertisements, maps and technical drawings.

Copyright is a legal right created by the law of a country, that grants the creator of an original work exclusive rights to its use and distribution, usually for a limited time, with the intention of enabling the creator to receive compensation for their intellectual effort.

Copyright law states that a copyright stands for between 50 and 100 years from the creator's death if the creator is an individual, and a shorter time if the creator is a corporation. Copyrights can apply to many different products, including literary works, film, audio, drawings and software. While copyright law is not all-encompassing, other laws (such as patent and trademark laws) may impose additional sanctions.

Intangible Asset

An asset that is not physical in nature. Corporate intellectual property (items such as patents, trademarks, copyrights, business methodologies), goodwill and brand recognition are all common intangible assets in today's marketplace. An intangible asset can be classified as either indefinite or definite depending on the specifics of that asset. A company brand name is considered to be an indefinite asset, as it stays with the company as long as the company continues operations. However, if a company enters a legal agreement to operate under another company's patent, with no plans of extending the agreement, it would have a limited life and would be classified as a definite asset.

While intangible assets don't have the obvious physical value of a factory or equipment, they can prove very valuable for a firm and can be critical to its long-term success or failure. For example, a company such as Coca-Cola wouldn't be nearly as successful were it not for the high value obtained through its brand-name recognition. Although brand recognition is not a physical asset you can see or touch, its positive effects on bottom-line profits can prove extremely valuable to firms such as Coca-Cola, whose brand strength drives global sales year after year.

Patent

A patent is an exclusive right granted for an invention. Generally speaking, a patent provides the patent owner with the right to decide how - or whether - the invention can be used by others. In exchange for this right, the patent owner makes technical information about the invention publicly available in the published patent document.

A government license that gives the holder exclusive rights to a process, design or new invention for a designated period of time. Applications for patents are usually handled by a government agency. In the U.S. the United States Patent and Trademark Office handles application and documentation.

In the United States most patents are valid for 20 years. By granting the right to produce a new product without fear of competition, patents provide incentive for companies or individuals to continue developing innovative new products or services. For example pharmaceutical companies spend large sums on research and development

and patents are essential to earning a profit.

Trademark

A trademark is a sign capable of distinguishing the goods or services of one enterprise from those of other enterprises. Trademarks date back to ancient times when craftsmen used to put their signature or “mark” on their products.

A symbol, word, phrase, logo, or combination of these that legally distinguishes one company’s product from any others. Any infringement on a trademark is illegal and therefore grounds for the company owning the trademark to sue the infringing party.

A good example of a popular trademark is Nike’s swoosh. If another company tried to confuse consumers by using a symbol that looked like the swoosh, that company would be infringing on the Nike’s trademark rights. Nike would therefore have grounds to sue.

Another trademarked logo that is globally recognized is Coca-Cola’s wave.

Brand

A distinguishing symbol, mark, logo, name, word, sentence or a combination of these items that companies use to distinguish their product from others in the market.

Once a brand has created positive sentiment among its target audience, the firm is said to have built brand equity. Some examples of firms with brand equity - possessing very recognizable brands of products - are Microsoft, Coca-Cola, Ferrari, Sony, The Gap and Nokia.

Legal protection given to a brand name is called a trademark.

Logo

A graphical mark used to identify a company, organization, product or brand. Logos can be displayed along side - or in lieu of - a company’s name in order to generate awareness of the company’s association with a particular product or service. The particular graphic used may be a stylized version of the company lettering (such as a wordmark) or abstract (such as a shape unrelated to the company

lettering).

Logos are an example of intangible assets because they hold value, but not in a physical form. Logos have become an integral part of a company’s identity, and are used heavily in the marketing of products and services. A well-recognized logo can increase a company’s goodwill, and is trademarked for intellectual property protection.

Historically, pictures were used to convey messages to individuals who were unable to read. A picture of a loaf of bread would be used on a sign to denote a baker. Even if the word “bread” was not displayed, consumers knew the type of product available at that store.

Copyright Act 1957 includes: writers’ special rights

Guidelines to determine the first ownership of Copyright . Provisions relating to performing right societies. Definition of infringement of copyright. Creation of a Copyright Office and a Copyright Board to facilitate registration of Copyright and to settle certain kinds of disputes arising under the Act and for compulsory licensing of Copyright.

The Digital Millennium Copyright Act 1998:

Nonprofit library, archive and educational institution exception. The prohibition on the act of circumvention of access control measures is subject to an exception that permits nonprofit libraries, archives and educational institutions to circumvent solely for the purpose of making a good faith determination as to whether they wish to obtain authorized access to the work. The DMCA amends the exemption for nonprofit libraries and archives in of the Copyright Act to accommodate digital technologies and evolving preservation practices.

Prior to enactment of the DMCA, permitted such libraries and archives to make a single facsimile (i.e., not digital) copy of a work for purposes of preservation or interlibrary loan. Amended, permits up to 3 digital copies of unpublished and damaged works for preservation of copyrighted material

The Indian Patent Act:

The first Indian patent laws were first promulgated in 1856. These were modified from time to time. New patent laws

were made after the independence in the form of the Indian Patent Act 1970. The Act has now been radically amended to become fully compliant with the provisions of TRIPS. The most recent amendment was made in 2005 which were preceded by the amendments in 2000 and 2003. While the process of bringing out amendments was going on, India became a member of the Paris Convention, Patent Cooperation Treaty and Budapest Treaty. The salient and important features of the amended Act are explained here.

Future of the Copyright Law:

The challenge to copyright prescribed by the digital and on line environment of the information society with the possibility of works protected by copyright being recorded, stored and made available on demand in digital form all over the world through electronic communications networks such as the internet and with the threat of unlimited perfect quality copies being made of them are not therefore a matter for national laws. Only a global approach will provide the protection required.

Copyright in a digital library environment:

Digital technology enables the transmission and use of all of these protected materials in digital form over interactive networks. The process of 'digitisation' allows the conversion of such materials into binary form (0s & 1s), which can be transmitted across the internet, and then re-distributed, copied, and stored in perfect digital form. While the transmission of text, sound, images, and computer programs over the internet is already commonplace, this is also becoming true for transmission of audiovisual works such as feature films, e-books as the technical constraints of narrow bandwidth begin to disappear. A material protected by copyright and related rights, spanning the range of information and entertainment products, constitutes much of the valuable subject matter of e-commerce.

Digital rights management:

The Digital Rights Management (DRM) is a term for access control technologies that are used by hardware manufacturers, publishers, copyright holders, and individuals to limit the use of digital content and devices. The term is used to describe any technology that inhibits uses of digital content that is not desired or intended by the content provider. The term does not generally refer to other forms of copy protection, which can be circumvented

without modifying the file or device, such as serial numbers or keyfiles. It can also refer to restrictions associated with specific instances of digital works or devices. Webopedia defines DRM as 'Short for digital rights management, a system for protecting the copyrights of data circulated via the internet or other digital media by enabling secure distribution and/or disabling illegal distribution of the data. Typically, a DRM system protects intellectual property by either encrypting the data so that it can only be accessed by authorised users or marking the content with a digital watermark or similar method so that the content can not be freely distributed'⁵.

Publishers and vendors across the world put their foot together to bring out necessary counter measures to protect themselves from piracy and infringement. They argue that because of piracy, infringement, copyright owners cannot make a return on their investments in content creation; they will stop investing in new content (or the continued exploitation of old content, for that matter). Taken to the extreme, rampant infringement will result in the collapse of the music, movie and publishing industries, say copyright owners. Thus as a counter measure they have been compelled to adopt new protection measures such as DRM. The DRM technologies are aimed at increasing the kinds and/or scope of control that rights-holders can assert over their intellectual property assets. The DRM technologies have enabled publishers to enforce access policies that not only disallow copyright infringements, but also prevent lawful fair use of copyrighted works, or even implement use constraints on non-copyrighted works that they distribute; examples 236 *DESIDOC J. Lib. Inf. Technol.*, 2012, 32(3) include the placement of DRM on certain public-domain or open-licensed e-books, or DRM included in consumer electronic devices that time-shift (and apply DRM to) both copyrighted and non-copyrighted works. DRM as of now is most commonly used by the entertainment industry (e.g., film and recording) and a few publishers.

Digital Right Management Issues:

Libraries and archives play a crucial role, and some have a legal mandate to preserve and make available our cultural and scientific heritage for future generations. The DRM jeopardises this role as they have the potential to lock away covered material forever. The issue of long term preservation carries a real urgency as media must be adapted regularly to new data formats, operating systems and data carriers. In addition, data (e.g. music, software,

electronic journals) stored in proprietary DRM formats is at much greater risk of being lost once the playback media is no longer available. Under DRM, there is a great risk that the public record of the future may be distorted. The DRM technologies attempt to control use of digital media by preventing access, copying or conversion to other formats beyond users.

Conclusions:

A 'one size fits all' rights solution is unlikely. Some of the information resources will arrive at the library with their own embedded rights technology, as e-books do today. Some information resources on the market will have controls that libraries find so unacceptable that they will choose not to obtain those materials.

Some controls, such as further development of access control technologies, will benefit digital libraries, allowing them to provide more resources more easily to remote users. The right answer to the rights question for digital libraries is not between rights technology A and rights technology B. Libraries need to understand a broad rights landscape, i.e., heterogeneous resources to manage and the users to serve. The due diligence needed to assert will not only be to respect the intellectual property rights in the resources being managed but also to defend the rights of users to exercise their constitutional and legal rights to make use of these resources. Today, one may need to think about a tiered system of digital copyright protection, where stronger controls are allowed in exchange for the fact that the copyright owner is not able to use the available law as an effective deterrent to copyright theft. The strengthening of the existing copyright act and to explore the possibility of bringing a new act in place is the need of the day.

An intellectual property system works well when it embodies a reasonably accurate model of how people are likely to behave. Copyright law is based on a relatively simple and straightforward model of author and reader behavior. Authors are motivated to produce interesting and valuable texts and to make these works available to others by copyright's reassurance that authors can control the sale of copies of their works. Readers are motivated to purchase the texts, or to urge institutions such as libraries to purchase the texts, so that they can have access to the work. Authors have generally had little control over what uses readers make of the copies after the first sale of the work to the public. Commentators on

U.S. copyright law have sometimes regarded this lack of control over uses as a virtue. But while it can be said that the absence of Copyright control over uses has promoted the dissemination of knowledge the truth is that in the print world it is infeasible to maintain meaningful control over uses anyway.

The most complete proposal for making digital library or hypertext publishing systems commercially viable has come from Ted Nelson. For over two decades, Nelson has been writing and talking about a proposed system called Xanadu, which he envisioned as a vast digital library containing all of the world's literature. Because Xanadu would allow users to create new and derivative documents via links, Xanadu is also a hypertext publishing system. Xanadu can usefully be understood as an attempt to create an institution that will be writing environment, publishing environment, library, and bookstore in one.

Despite his visionary reputation, Nelson is practical enough to realize that the commercial success of the Xanadu proposal critically depends on the way it deals with intellectual property issues. The intellectual property system in Xanadu has sometimes been summarized in writings about the Xanadu system in popular magazines, but has been subject to little serious analysis.

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