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DIGITAL MARKETING IN INDIA
An Analytical Study on Emerging E-marketing Practices in India

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ABSTRACT:
E-marketing is the process of marketing a product or service using the Internet. E-marketing in India has been experiencing remarkable growth, with the advent of mega telephone networks which has brought a radical positive change in the way people transact .Implementing the latest E-marketing strategies leads to profits in the market. E- Marketing helps to find out the right clients/customers who require the goods and services by the business organizations. It consists of all processes and activities with the purposes of finding, attracting, winning and above all, retaining the customers. The present study explores & enumerates the different forms, implementation levels and tools of Electronic-Marketing usage in India. This study can be considered as a step towards the theory building in the field of E-marketing and throws light on a number of concepts for the practice of E-Marketing.

INTRODUCTION:
Electronic marketing, or e-marketing, is the use of electronic media and applications to conduct marketing research and communication activities. The term electronic marketing initially served as an extension of "Internet marketing" to address the growth of mobile technology and digital applications used in marketing. India had an internet user base of about 354 million as of June 2015] and is expected to cross 500 million in 2016. Despite being the second-largest user base in world, only behind China (650 million, 48% of population),the penetration of ecommerce is low compared to markets like the United States (266 million, 84%), or France (54 M, 81%), but is growing at an unprecedented rate, adding around 6 million new entrants every month. The industry consensus is that growth is at an inflection point. E-marketing in India has been experiencing remarkable growth, successfully changing the way people transact. The online market space in the country is burgeoning in terms of offerings ranging from travel, movies, hotel reservations and books to the likes of matrimonial services, electronic gadgets, fashion accessories and even groceries. India is home to 3,311 e-commerce hubs, 1,267 rural hubs, 391 export hubs and 2,217 import hubs. According to an Internet and Mobile Association of India (IAMAI)

report, the overall e-commerce market in India has recorded a robust CAGR of 54.6 per cent and crossed US$ 10.0 billion during 2007-11. It is estimated to add another US$ 4 billion and reach USD14 billion by end-2012. Now-a-days in India Flipkart, Snapdeal, Amazon India, Paytm are the largest E-marketing companies.

DEFINITION: E-MARKETING

E-Marketing (Electronic Marketing) is also known as Internet Marketing, Web Marketing, Digital Marketing, or Online Marketing. E-marketing is the process of marketing a product or service using the Internet. It not only includes marketing on the Internet, but also includes marketing done via e-mail and wireless media like… It uses a range of technologies to help connect businesses to their customers.

OBJECTIVES OF THE STUDY:

1. To understand the present status of E-marketing in India.
2. To analyse whether E-marketing is a cost effective tool.
3. To understand the major role of telecommunications for the emergence of E-marketing in India.

NEED FOR THE STUDY:

This study helps to understand various factors of present day Electronic Marketing strategies relating to customer markets. It studies various forms and tools of Electronic Marketing at its implementation levels and also to understand different concepts of its practicing.

RESEARCH METHODOLOGY

Data is collected from secondary source like journals, articles, newspapers & websites.

Reasons for growth of E-Marketing practices in India.

- Increasing broadband Internet and 3G & 4G penetration.
- Growth in standard of living.
- Wider product range is highly available
- Busy lifestyles and lack of time for offline shopping
- Increased usage of online categorized sites
- Evolution of the online marketplace model with websites like eBay, Flipkart, Snapdeal, etc.

E-Marketing objectives:

There are different E-Marketing objectives depending on their individual circumstances. A basic framework for developing effective E-Marketing objectives is the five S's framework, which includes:

1. Sell : For sell products and services.
2. Serve : To serve best service to customers.
3. Speak: Internet use for communicate with customers.
4. Save: Using Internet to save cost

E-Marketing elements:

Elements of Electronic Marketing are

1) Online marketing, 2) Mobile marketing, 3) Email marketing & 4)Social media marketing.

1. Online marketing is one of the major elements of Electronic Marketing. Companies create websites to campaign their products and services for promoting their businesses. They may also enter into contract with other website publishers and search engine portals for campaigning their products and services. Search engine sources and blogging are more popular being web-based components of electronic marketing.
2. Mobile marketing helps Customer Relationship Management (CRM) through wireless communication programs like digital applications and text messages to the customers given choice. For the purpose of marketing campaigns, companies collect the customer data through database technology and analyze the same to target the customers concerned.
3. Email marketing helps the companies to distribute promotional messages/ periodic newsletters to maintain good relationships with customers and to improve sales of their products and services.
4. Social media marketing is also another important element of e-marketing. It involves the use of other procedures to engage targeted customers for a better interaction.

Major role of Telecommunications for the growth of E-marketing practices in India

After liberalization in the year 1990, Indian telecom industry also took a high pace of market growth and at present it became the world's most competitive and one of the fastest growing Electronic markets. As per information by May 2012 there were about 929.37 millions users of mobile phones making India the world's second-largest mobile phone user base and also by June 2015 more than 300 millions are internet users. To narrow down the rural and urban digital divide telecommunication has played a significant role which also supported the socioeconomic development of India to some extent.

Emergence of E-marketing in India is due to availability of extensive system of modern network elements like:

- Digital telephone exchange
- Mobile switching centres
- Media gateways
- Signalling gateways at the core
- Interconnection of wide variety of transmission system using fibre –optics or Microwave radio relay networks etc.

Indian Telecommunications Statistics

Statistics of E-commerce Industry in India

Number of Indian consumers who purchased something online in 2014: around 35 Million No. of Indian consumers who are expected to purchase something online in 2015: around 60 to 65 Million Indian ecommerce Industry in 2014: around $22 Billion Indian ecommerce Industry in 2018: $86 Billion Mobile Internet Users No. of Internet users in India in 2016: 300 MillionMobile Internet users in India now: 203 Million Ecommerce sales through mobile phone in India in 2014: 41% Wireless Internet 2nd Generation Internet is the most prevalent in India in the Past Decade. Wireless ISPs in India use both CDMA and Edge technologies for 2G.

India's wireless Internet frequencies are:

- 2G : GSM 900 MHz, GSM 1800 MHz
- 3G : UMTS 2100 MHz
- 4G : TD-LTE 2300 MHz, FD-LTE 1800 MHz, FDD-LTE 850 MHz
- CDMA : 800 MHz (for 1x voice and data & EVDO Rev A, Rev B, Rev B Phase II data)

Benefits of E-marketing as a cost effective tool:

- Much better return on investment from than that of traditional marketing
- Reduced Marketing campaign cost

- Fast result of the campaign
- Easy monitoring through the web tracking capabilities
- Customization has become easy with less marketing efforts.
- It provides a high range of variety of high quality product in a very short time at reasonable price.
- Attractive campaigns of the products at very less cost.

Analytical analysis : cost effective and Discount pattern

Product	Price MRP Rs.	Retail (offline) Rs.	e-tail Rs.(online) (Amazon. in)
Pume shoes	3000	1950	1650
Espoir analog wrist watches	1495	750	285
Samsung monitor blackL S22E310HY /XL 21.5 inches Full HD LED	10500	9975	8599
Acer Aspire Laptop E E5-573G-380S 15.6inch	44200	39780	32990

CONCLUSION

The above analysis shows that E-marketing has a potential for enhancing the marketing strategies in India and there by leading in rapid development of the economy in India. Possibility of increased penetration of plastic money and flexibility in accessing computers witnesses a promising growth. As the best technology is supported in India for consumers can expect a well streamlined, efficient and world class shopping experience.

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AN ANALYSIS ON THE RELATIONSHIP OF PEOPLE DEMOGRAPHICS AND THEIR PERFORMANCE IN ORGANIZATIONS

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ABSTRACT

In the real scenarios, organizations are in the move to acquire the right talent to attain competitive advantage in the business environment. Thus through optimum utilization of competent human resources organizations has been able to gain measurable growth in terms of financial growth as well as growth in acquiring human capital. The earlier studies includes learning on changing demographics, challenges of HRM by changing demographics, managing demographic risk, impact of demographic changes on work force and other similar areas of interest. It is reported that by 2025 India will have most of its population to be young and the great challenge would be to create employment for all. In this regard the demographic management will be the future challenge in Human Resources and this study is an attempt to detail on demographic trends in organizations and its relation with people's performance. The outcome of this study will benefit across industries to understand the significant relationship between the people demographics and their performance.

Keywords: Human Resources, Demographic Management, People Performance

INTRODUCTION:

The global scenarios are gaining paradigm shift in terms of Social, economical, political, environmental and technological aspects. On other hand developing economies confront with major challenges and one among them includes accessibility and application of its resources. It is noted that India stands 2nd in global population after China and by 2025 India will have advantage of its human resources which is considered to comprise major of young population aged between 25 and 45 years. In the existing business environment organizations are extending its global existence by which attracting diversified global talent to its demographic dividend. Demographic diversity play a vital role in organization's success stories and those organizations are well blended with its competent demographic profiles. Demographic dividend is taking a positive change among organizations and across demographic representation is visible in organizational human resources. Women employees today are moving from supporting roles to leadership positions, with which glass ceiling is shrinking to an extent. Gender equality is a global desire which is taking its momentum in organizations through various governance initiatives. In traditional organizations, management positions were prominently held by high aged individuals based on their age and experience. In contemporary organizations leadership positions are open for across genders and young aged professionals, which has resulted in changes witnessed through their thoughts and actions. Demographic changes are a prominent source of long-term social change. Demography means the study of trends in human population with regard to population size and the study of various subgroups such as population age, structure, geographic distribution, education ethnicity, racial mix, and the distribution of income and wealth. The Planning Commission of India, in its 12th Plan discussions, indicates that while the "demographic dividend" accounts for India having world's youngest work force with a median age way below that of China and OECD Countries, the global economy is expected to witness a skilled man power shortage to the extent of around 56 million by 2020. Thus, the "demographic dividend" in India needs to be exploited not only to expand the production possibility frontier but also to meet the skilled manpower requirements of in India and abroad. In this regard this study attempts to study on the relationship of people demographics and their performance in organizations.

OBJECTIVES:

- To examine demographic dividend in organizations
- To identify the relational aspects of demographic dividend and people performance

METHODOLOGY:

The researcher attempts to analyze the relationship of people demographics and their performance in organizations.

Research Type : Qualitative research
Method : Descriptive study
Data : Secondary Sources

PEOPLE DEMOGRAPHICS:

Demographics refer to the size, density, distribution and growth rate of population. In organizations demography is diversified and so its influence is of high consideration. In organizations, such demographic diversity brings in a greater opportunity to multi-cultural work environment and at the same time diversified population may also be of concern to management. The study of inequality in organizations has been primarily focused on the study of gender and, to a lesser extent, on race. Class, as a factor in organizational relations and which can be considered a demographic of all organizational participants, is a variable that has been sorely overlooked in organizational studies. When there are any changes observed in such demographic factors, it is said to be called as demographic changes. Demographic changes are a prominent source of long-term social change and it refers to change in groups and the change in relationship among the variables. Some of the key demographic variables include:

- Age
- Gender
- Experience
- Education
- Income
- Race / Religion

PEOPLE PERFORMANCE:

Human Resources are considered to be the priority of contemporary organizations. Every organization has been able to intensively engage in identifying and retaining competent resource and so appropriate investments are allocated towards the compensation and development costs of human resources. In this regard performance of every individual is assessed to review the ROI of human capital. An individual's performance is assessed at different levels and time periods, for example: an individual's performance is appraised, aside individual's contribution in team performance is accorded, further individual's contribution to the function, department, unit/ plant, company, organization, group and so on with various relations an individual's performance may be assessed. With an individual member thus may be seen that various demographic factors in organizations have different performance indicators to the organization and demographic variables having different performance levels.

PEOPLE DEMOGRAPHICS AND PERFORMANCE:

Gender wise distribution of people in organizational heirarcy:

Among the identified sample group, individual members are grouped in 5 level organization heirarchy. In the below table % wise contribution of each value across categories.

Level	Male	Female
Strategic Leaders	96	4
Senior Mgmt	100	0
Middle Mgmt	95	5

Junior Mgmt	92	8
Executives	81	19

In the above data, it is analyzed that Female representation in organization is 10% as against Male population of 90%. Aside it is found that 6% of total female population has made to occupy management roles, 94% of female members are present in junior management and executive level. This indicates the presence of glass ceiling in organizations.

Gender wise performance distribution of people:

In this study performance assessment is done on 5 point rating scale where 5 = Exceptional, 4 = Very Good, 3 = Good, 2 = Satisfactory and 1 = Unsatisfactory. The below table indicates gender wise performance assessment in organizations.

	Rating			
Gender	Exeptional	Very Good	Good	Satisfactoru
Male	86	93	96	92
Female	14	7	4	8

In the above data, it is analyzed that in organization 56% of female members are performing exceptional as against 37% Male population are performing exceptional. Aside it is found that 2% of total female population performance is satisfactory, 3% of total male population's performance is at satisfactory level. This indicates that female employees have better performance in comparisn with male members.

Age wise performance distribution of people:

In this study performance assessment is done on 5 point rating scale where 5 = Exceptional, 4 = Very Good, 3 = Good, 2 = Satisfactory and 1 = Unsatisfactory. Age of population is grouped at interval of 10 from a scale of 21 – 70. The below table indicates age wise performance assessment in organizations.

	Rating				
Rating	21-30	31-40	41-50	51-60	61-70
Exceptional	6	31	38	25	1
Very Good	9	33	34	24	0
Good	5	38	33	24	0
Satisfactory	3	19	42	36	0

From the above data it is analyzed that in organizations people at the age group of 41-50 have better performance as against other age groups. This indicates that mid age people have been able to gain competencies desired to perform well and so they have been able to perform better that other age groups. However it is also found that people in age group of 31 – 40 also stand close with the age group of 41-50 in regard to performance assessment.

FINDINGS:

In the study there have been significant findings which reveal the scope of demographic management for enhancing people performance in organizations. Thus key findings include:

- Glass ceiling is prevalent in contemporary organizations
- Women employees are mostly seen in the bottom hierarchy of organization in comparison to men employees
- Women employees are present in supporting functions as compared to men employees present across functions of organizations
- The proportion of women employees is high against men employees who perform exceptionally well in organizations
- The people in age group of 41-50 have exceptional performance as against other age groups, however people in age group of 31-40 also perform better.

CONCLUSION

Demographic management should be considered with key importance in organizations as this will facilitate organizations in qualitative returns in the long run. Especially in talent management process, HR fraternity will be able to learn on their recruitment strategies to identify and attract right resources that will fit appropriately in the organization’s demographic dividend. Aside in the performance management of Human Resources, organizations will be able to identify appropriate training and development needs. To conclude, a significant relation between people demographics and their performance is found. Further this study lay down the scope for detailed and empirical study of demographic attributes in organizations for effective demographic management among organizations.

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SERVICE QUALITY IN PRIVATE HEALTHCARE ORGANIZATIONS

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ABSTRACT:
Quality is the new buzz word with International Standard Organization certifications being chased by increasing number of organizations. In developed countries quality as an issue has been in the fore front for management of various types of institutions. Various systems and methodologies have been developed to study different dimensions of quality. The entry of multinationals, the opening of Indian economy and the increased purchasing power and consciousness in the middle class consumer have been some of the factors which have raised quality awareness in our country. Quality has indeed emerged as the managerial imperative of the new millennium. So far, quality has been understood only as a concept dealing with manufacturing products. Manufacturing companies have been adopting various quality control measures like statistical quality control, quality designs for manufacturing and six-sigma approach for eliminating defects in various stages of manufacturing. Concepts of quality enhancement, quality assurance and total quality management are currently having significant impact on human services like health and education. Quality is therefore gaining new dimensions in the present scenario.

Key words: Healthcare, Analysis of variance, SERVQUAL, Service Industries, Customer service

INTRODUCTION
There is no generic definition of quality and one can find quality defines as excellence (Garvin, 1984); value (Cronin and Taylor, 1992); confirmation to specifications (Garvin, 1988); and meeting customers' expectations (Parasuraman, Zeithmal and Berry, 1985; Gronross, 1990). The Oxford English Dictionary defines quality as a noun meaning "degree of excellence". The bureau of Indian Standards defines quality as the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs. There are different aspects and dimensions of quality. Maintaining good relations with customer is essential in the wake of liberalization and globalization. Quality has come to be recognized as a strategic tool for attaining operational efficiency and improved business performance (Babakus and Boller, 1992). Service quality is considered as a measure of how well the service delivered matches customer's expectations or providing a better service than what the customer expects. Establishing service quality may be one

of the major ways of differentiation, particularly in cases of services organizations such as the hospitals where majority of them offer nearly identical services to the customers. The features which constitute the base for measuring service quality vary from industry to industry. The conceptualization and measurement of service quality has been one of the most debated topics in services marketing literature. Gaining new customers can be a lengthy process involving research, targeting, advertising, promotion and networking. Current customers provide organizations with established business relationships, knowledge and predictability in buying behaviors and short-term opportunities for expanded sales. service quality is an activity; therefore it can be controlled and improved. Organizations with higher-quality service can charge up to 20 percent more and still retain customers. Satisfied customers not only continue to patronize the organization, they also add to profits by referring new customers. Referrals can be twice as effective as advertising.

LITERATURE REVIEW

A survey of literature on the subject reveals that the issue of service quality has received considerable attention among the marketing scholars. A number of studies have been conducted on this subject. Among the several research studies undertaken in the service quality, some of the important ones include studies on importance of customers' perception of quality (Teas, 1993); the strategic benefits of service quality (Andrian, 1995); tangible aspects of service quality (Carman, 1990); assessing the effects of quality on customer satisfaction (Cronin and Michael, 2000); and measuring service quality (Cronin and Taylor, 1992). The results of these studies reveal that service quality has a significant impact on satisfaction and behavioral intentions. The transactional aspects along with human aspects of the personnel like expertise, friendliness, reliability, service value etc. affect the service quality. Consistent delivery of superior quality service is the strategy that is increasingly being offered as a key to service providers to position themselves more effectively in the market place (Brown, Stephen and Teresa, 1989). Lehtinen and Laitamaki , 1985 presents a holistic view on how to measure, monitor and operationalise customer perceptions of service quality in healthcare organizations. John, 1989 argues that there are four dimensions of healthcare service quality: the curing dimension, the caring dimension, the access dimension and the physical environment dimension. Reidenbach and Sandifer Smallwood, 1990 developed an instrument based on the original ten dimension questionnaire developed by (Parasuraman et al., 1985). Though initial efforts in defining and measuring service quality emanated largely from goods sector, a solid foundation for research work in this area was laid down in the mid-eighties by Parasuraman, Zeithml and Berry (1985, 1988, 1994). Researchers have found that customers do not perceive quality as a uni-dimensional concept. Customer's assessment of quality includes perceptions of multiple factors. Customers consider five dimensions in their assessment of service quality (Parasuraman, Zeithml and Berry, 1988). The service organizations measure the quality in terms of customer expectations of the service with the performance of specific service provider for each of the five quality dimensions. Parasuraman, Zeithml and Berry defined service quality as the gap between the customers' perceptions and expectations of service performance. Based on this conceptualization and operationalization, they proposed a service quality measurement scale called SERVQUAL. It is a multiple-item scale used for measuring the five dimensions of service quality, each dimension containing multiple items that measure the fundamental attributes of service. Thus, SERVQUAL is a diagnostic tool that uncovers the organizations major strengths and weaknesses in the area of service quality. Service quality is the delivery of excellent or superior service relative to customer expectations. In most cases customers will use all of the five dimensions to determine service quality perceptions (Parasuraman, Zeithml and Berry, 1994). The five dimensions of service quality are Reliability, Assurance, Tangibles, Empathy and Responsiveness (RATER).

- Reliability: The ability to perform the promised service dependably and accurately
- Assurance: The knowledge and courtesy of employees as well as their ability to inspire trust and confidence
- Tangibles: The appearance of physical facilities, equipment, personnel and communication materials
- Empathy: The provision of caring, individualized attention to customers
- Responsiveness: The willingness to help customers to provide prompt service

In today's customer driven market, it is being increasingly felt that it is the quality that will ultimately decide the value of the services. The concept of service quality in the context of healthcare services offered by hospitals would focus on the technical quality as well as functional quality. The technical quality of services can be improved with the help of new generation of sophisticated technologies where as functional quality of human resources can be improved by strong emphasis on behavioral areas such as attitudes, service-mindedness, accessibility, inter-personnel relations, appearance and commitment. Quality depends upon the level of excellence of medical, nursing, paramedical, managerial, frontline and supportive services given to patients. With increasing awareness among consumers about their rights, the patient as a consumer of healthcare services, expect and demand quality service. In the light of these developments, healthcare providers need to have a closer look at the perception of their patients and try to provide medical and healthcare services to meet their expectations. The expectation of the public for quality medical care is very high especially of the middle class. There is a growing pressure on healthcare providers and professionals to maintain and improve the quality of healthcare with emphasis on cost effectiveness. Many of the hospital personnel come in direct contact with the patients. They face hostility from ailing patients and their anxiety stricken attendants. Patients, who are suffering, need all the sympathy, empathy and unstinted support they can get. Hence, the hospital personnel should put in all their efforts into relieving the pain and anxiety of patients and help them resolve their problems, however, trivial they may seem. The house-keeping, nursing, food and beverage staff, and for that matter, staff in any department should always be polite and accommodating. The staff should be constantly reminded that the hospital is judged by their work, conduct and behavior towards patients. The performance and response of customer- contact employees heavily influence customers' perception of service quality.

The Indian Healthcare Scenario

In a country like India, the problem of health is an enormous one, where majority of the poor is outside the effective medical network. The government facilities are marked by poorly managed services, sub-optimal utilization of existing services, poor plans, incompetent administration, ill equipped hospitals, poorly trained and motivated personnel. Due to a rapid increase in the overhead expenses in the healthcare services of the government sector, very little money is available for medicine and equipment. As a result, most of the government hospitals, particularly at the state government level are unable to acquire any new technology. The government hospitals have failed to equip poor to become customers in basic medical services nor have they provided them free effective medical services. While the largest variety of health disorders are treated at the government hospitals, their service conditions are relatively poor. Cases of medical negligence and deficient services are on the increase. The public is complaining more and more about low standards of medical practice, long waiting times, inapt diagnosis and blatant errors of medical judgment. Further the more competent doctors tend to get snatched by private hospitals. Alternatively the government employed doctors have their own practice or offer consultancy to private hospitals. Treatment for those who can afford will shift to private hospitals while the common man will still has to depend on government hospitals.

Industry Snapshot

The Indian healthcare industry comprising - hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment - is growing at a tremendous pace owing to its strengthening coverage, services and increasing expenditure by public as well private players. A huge population with unmet healthcare needs and the rising awareness as well as capacity to spend on quality healthcare are leading to the growth of the sector.

Market Dynamics

- The healthcare sector in India is growing at a CAGR(Cumulative Annual Growth Rate) of 15 per cent and is anticipated to grow to US$ 159 billion in 2017 from US$ 79 billion in 2012.
- The Indian medical device and equipment market is expected to grow to around US$ 5.8 billion by the end of 2014 and US$ 7.8 billion by 2016, growing at a CAGR of 15.5 per cent. India's medical device market is currently the fourth largest in Asia.
- The private sector's share in healthcare delivery is expected to increase from 66 per cent in 2005 to 81 per cent by 2015. The sector's share in hospitals and hospital beds is projected at 74 per cent and 40 per cent, respectively.

Foreign direct investment (FDI) in medical and surgical appliances from April 2000 to December 2013 was US$ 741.80 million and in hospital and diagnostic services it was US$ 2. 2 billion.

India has emerged as a high potential healthcare destination owing its large pool of well-trained medical professionals, significant cost advantages and supportive research and development (R&D) environment. As per Economic Survey 2012-13, the expenditure by Government on health as a percentage of Gross Domestic Product (GDP) during 2010-11, 2011-12 and 2012-13 stand at 1.29 percent, 1.29 percent, and 1.36 percent respectively. However most of the organized private infrastructure is confined to the state capitals or Tier I cities, with very few having penetrated in Tier II and Tier III cities. This presents the country with a huge opportunity. The Indian healthcare industry, growing at a CAGR of 15% is expected to touch US$ 250 billion by 2020. Driving growth factors are rising population, increasing disposable income, increasing lifestyle related health issues, cheaper treatment costs, thrust in medical tourism, improving health insurance penetration, government initiatives and focus on public private partnership (PPP) models. Most Indian metros have hospitals with world-class infrastructure, processes and outcomes.Healthcare in India today provides existing and new players with a unique opportunity to achieve innovation, differentiation and profits.

Growth of Private Healthcare

The private sector has emerged as a vibrant force in India's healthcare industry, lending it both national and international repute. Of total healthcare spending in the country in 2011, private sector contributed 68 percent. In fact the private sector accounts for more than 65 percent of primary care centers and more than 40 percent hospitals in the country. (Business Monitor Report, World Health Statistics, 2011). In the Indian environment where majority of the government hospitals are found in a deplorable condition, charitable trusts, voluntary organizations, private hospitals and corporate sector have come ahead to carry forward the task of making possible to society the best possible health services. Curtailed health budgets, high administration cost of public hospitals and falling standards in primary healthcare have prompted state governments to pitch for private sponsorship of healthcare and support private ventures. In view of the limited financial resources available with the public exchequer, the private sector has to play a dominant role in the years to come. The demand pattern for the healthcare has changed considerably in the last two decades. On the suppliers' side, private hospitals are investing huge amount of capital to meet growing demand for hospital services. Many hospitals have become complex organizations with specialty and super specialty departments. From customers' side, they are demanding high quality services at reasonable prices. The changing attitude of people at large is being amply demonstrated by the fact that while there is a government hospital just the next door and providing almost free medical attendance; people are spending huge amounts of money and going to private and corporate hospitals.

Need and importance of the Study

One of the yardsticks to measure the success of any service organization is the quantum of satisfaction it will produce in the public. This is very much true with the hospital where the quality of the treatment to a large extent can be measured from the level of patient satisfaction. Human factor is very essential in a hospital, unlike in other service organizations, since a hospital involves care of physical, clinical and psychological aspects of patients. The healthcare sector has become very competitive and is changing rapidly. The rise of the patient as consumer, the introduction of innovative technologies and a new breed of entrepreneurial managers are all the factors behind the scenes of this industrial metamorphosis.

SCOPE OF THE STUDY

Hyderabad has been selected for the study because it has witnessed an unprecedented growth of public and private healthcare organizations. In fact, it has been described as a 'medi-city' since it has largest number of corporate hospitals compared to many other cities in India. Patients come to these hospitals for quality treatment from all over India and abroad. Therefore, in view of these factors, the leading hospitals of the private sector are chosen for the study.

OBJECTIVES OF THE STUDY

The main objective of the study is to examine how well the corporate hospitals in the private sector in Hyderabad are meeting the customers' expectations in the service quality dimensions.

1. To study the trends of Indian healthcare scenario
2. To determine the actual level of service quality scores in three private corporate hospitals with respect to the five dimensions of service quality
3. To analyze the degree of service quality and make suggestions to improve the level of service quality

METHODOLOGY AND SAMPLING

The data is collected from primary as well as secondary sources. The primary data is collected through SERVQUAL questionnaire, discussions and observations. Since the present study covers various aspects relating to quality of healthcare services, a sample of three corporate hospitals are chosen for the study. As the number of hospitals in the city is increasing, it is not possible to cover all the hospitals for the study. Hence, a sample of three hospitals known for their distinct and commendable healthcare service has been chosen for the study.

Major Players in the sector

Company	No. of beds	presence
Apollo Hospitals enterprise Limited	7946	Chennai, Madurai, Hyderabad, karur, Visakhapatnam, karimnagar, Mysore, kakinada, Bengaluru, Delhi, Noida, Kolkata, Ahmedabad, Pune, Raichur Ranipet, Ranchi, Ludhiana, Indore, Bhubaneshwar, Mauritius, Dhaka
Aravind Eye Hospitals	3649	Theni, Hyderabad Thirunulveli, Coimbattore, Puducherry,Madurai, Amethi, Kolkota
Care Hospitals	1912	Hyderabad, Vijayawada, Nagpur, Bhubaneshwar, Surat, Pune, Vishakhapatnam

Source: IBEF (India Brand Equity Foundation, Healthcare, March, 2013)

The specific reasons for choosing these hospitals are:

1. The hospitals are the three major players in the healthcare sector according to the report India Brand Equity Foundation.
2. The hospitals have made very huge investments in the healthcare sector

3. The hospitals employed substantial workforce in their organizations
4. The hospitals are offering multi-specialty and super-specialty health services.
5. The hospitals have a large customer base.

The data are collected through the administration of structured questionnaires for the customers of three hospitals. Since the universe was large, and administering the questionnaire to the customers on a random basis is difficult, convenience sampling is adopted for this study. However, necessary care is taken in the study to cover customers from different socio-economic backgrounds. From these hospitals, a sample of 300 patients was randomly selected with 100 patients with each of the sample.

The Research Instrument

The study is made to analyze the customer's perceptions of service quality in the hospitals using SERVQUAL consisting of 25 aspects that measure customer perceptions regarding the five service quality dimensions on a five-point Likert scale. The study is based on primary data obtained through a well-designed questionnaire. The respondent is asked to respond to each of the aspects in terms of five points. The five points (i) strongly agree (ii) agree (iii) neither agree nor disagree (iv) disagree and (v) strongly disagree constitute the scale.

Data Analysis

To understand the service quality aspects of these hospitals, a comparative analysis of the three hospitals is made. The table below shows the total score and mean score for each of the three hospitals against all 25 aspects of 5 dimensions of service quality.

Table I Mean scores and total scores of three hospitals on quality dimensions

Reliability	Apollo	Aravind	Care	Average Mean
1	3.93	3.95	3.72	3.87
2	3.68	3.75	3.45	3.63
3	3.80	3.73	3.92	3.82
4	3.73	3.57	3.84	3.71
5	3.82	3.72	3.68	3.74
6	3.62	3.48	3.24	3.45
Total Responsiveness	22.58	21.80	21.85	
7	3.74	3.69	3.80	3.74

8	3.77	3.95	3.64	3.79
9	3.76	3.85	3.78	3.80
10	3.70	3.84	3.53	3.69
11	3.26	3.45	3.18	3.30
Total Assurance	18.23	18.78	17.93	
12	3.72	3.79	3.82	3.78
13	3.93	3.90	4.11	3.98
14	3.95	3.76	3.55	3.75
15	3.68	3.70	3.60	3.66
16	3.67	3.65	3.42	3.58
Total Empathy	18.95	18.80	18.50	
17	3.77	3.75	3.48	3.67
18	3.66	3.76	3.62	3.68
19	3.53	3.66	3.41	3.53
20	3.66	3.65	3.65	3.65
21	3.39	3.53	3.32	3.41
Total Tangibles	18.01	18.35	17.48	
22	4.29	4.11	4.07	4.16
23	3.84	3.87	3.55	3.75
24	4.14	3.88	3.86	3.96
25	3.90	3.85	3.80	3.85
Total	16.17	15.70	15.28	

Table II Service Quality in private healthcare – overall picture

Quality dimension	No. of items	Min & Max Scores	Expected Score	Actual Score-Apollo	Actual Score-Aravind	Actual Score-Care
Reliability	6	6 – 30	18	22.58	21.80	21.85
Responsiveness	5	5 – 25	15	18.23	18.78	17.93
Assurance	5	5 – 25	15	18.95	18.80	18.50
Empathy	5	5 – 25	15	18.01	18.35	17.48
Tangibles	4	4 – 20	12	16.17	15.71	15.28

Quality Dimension	Mean rating - Apollo	Mean rating-Aravind	Mean rating-Care

Reliability	3.76	3.63	3.64
Responsiveness	3.65	3.76	3.59
Assurance	3.16	3.76	3.08
Empathy	3.00	3.67	3.49
Tangibles	4.04	3.93	3.82
Total	17.61	18.75	17.62

(Source: Primary data)

Table III Anova Table

Source of variation	Degrees of freedom	Sum of squares	Mean sum of squares	F-ratio
Between samples	2	0.1718	0.0859	1.0686
Within samples	12	1.1020	0.0918	
Total	14	1.2738		

(Source: Primary data)

Analysis of Variance (Anova) is used for testing the homogeneity of several means. The main objective of Analysis of Variance technique is to examine if there is significant difference between the hospital mean ratings in view of inherent variability with in hospitals.

Ho: The mean ratings for all the hospitals are homogeneous
H1: The mean ratings for all the hospitals are not homogeneous.

Calculated value of F (1.0686) is less than the table F (2, 12) degrees of freedom (3.88).Hence the calculated value of F is not significant at 5% level of significance and null hypothesis H0 may be accepted and we may conclude that all the three hospitals are providing satisfactory service. In order to have a better understanding of the service quality in hospitals a comparative analysis of the three hospitals has made in the present study. The analysis of service quality standards in the study has been done at two levels. First, studying the mean score of each hospital and their scores against each service quality dimension. Second, analyzing the weighted score of each of the five dimensions of service quality for each hospital. The study on quality on hospital services achieves three important objectives. First, it consolidates multiple service quality conceptualizations into a single measuring frame work. Secondly, it probes into customers' perception of quality in the private corporate hospitals in Hyderabad and thirdly, the study measures the service quality in hospitals with regard to the five dimensions. A more in-depth comprehensive study on a larger sample can provide generalized conclusions. The mean scores of the three hospitals regarding the five dimensions of service quality are displayed in table I. an analysis of the data revealed that all the three hospitals are providing satisfactory service regarding all the service quality dimensions. All the hospitals have performed much above the average score (>3.00). The study revealed that all three hospitals are perceived by the patients to perform excellent service quality on the tangibles dimension, and very well regarding reliability, responsiveness, satisfactorily with regard to assurance, and moderately on the empathy dimension.

It is evident from the study that the corporate hospitals need to concentrate on areas where the patients expressed some deficiencies with regard to the five dimensions of service quality. To improve on the responsiveness, assurance and empathy dimensions, the hospitals need to provide adequate and periodic training for hospital staff in behavioral science to make them more patient –oriented with personalized services, humanitarian approach and ethical values which would build confidence in the patient's for their speedy recovery and play a significant role in satisfaction of patients.

CONCLUSIONS

Human factor is very essential in a hospital, unlike in other organizations, since the hospital involves care of physical, clinical and also the psychological aspects of patients. It is the professional excellence, personal-touch-in-service, humanitarian approach and ethical values of hospital personnel that play a significant role in the satisfaction of the patients. Hence, hospitals will do even better if they combine high tech with high touch. Results of the study reveal that patients define health care quality in terms of the five dimensions of reliability, responsiveness, assurance, empathy, and tangibles. SERVQUAL has been found to be consistent and reliable instrument to measure service quality in health care sector. The results of the study pinpoint the areas for attention by the hospitals to improve upon healthcare service quality. With less than 5% of the population currently works in a healthcare system, the overwhelming majority of adults have been a patient or a guest at a hospital, clinic or physician's office. Of those, while most remember the quality care given by staff and physicians, many have left the facility with an overwhelming feeling of disdain for the inefficient and time-consuming business processes. Excessive waiting times, lack of coordination among different departments, duplicate entry of personal information in multiple manual forms, unfriendly facilities and general lack of customer service are usually attributes assigned to healthcare organizations. While the studies suggest that the quality of medical care is improving for most types of illness, the attention to detail in day-to-day operational management has not kept pace. Hospitals are now starting to get serious about creating operational efficiencies to become more competitive and financially viable.

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A STUDY ON GOLD MONETIZATION SCHEME IN INDIA FROM GOVERNMENT PERSPECTIVE - A TOOL TO LESSEN THE MARKET BURDEN

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ABSTRACT
Gold monetization scheme is an initiative towards enhanced financial investments in India. It is the first salvo as part of its plan to curb the market burden. In order to bring down market borrowings and to save interest upon, the government introduced the GMS intending to use deposits under this scheme as loans to be given to the corporate sector and India's gems and jewellery sector through banks. Since the government estimates about 20000 tones of gold is being held by households and institutions, its objective of the scheme is to mobilise part of the gold to reduce its reliance on import of gold. Hence this study provides information about various guidelines given under GMS scheme by government in its implementation and also reducing the current account deficit.

INTRODUCTION
Soon after announcement of the union budget government notified the GMS draft the guidelines with an aim to cut down gold imports and mobilise a part of estimated 20000 tons of gold held by households and various institutions and make it available to India's gems and jewellery sector as raw material on loan through banks. It is being launched initially at few places after setting up proper infrastructure to secure and handling of gold. . And later on it can be extended to other cities with proper infrastructure having capability of refining gold. Our government estimated the gold held idle by the households and institutions above 20000 tons worth of more than Rs. 50 lakh crores at it current price. Since more than 800 tons of gold is being imported by our country every year, our Government is planning under this GMS to cut down the imports to some extent. For the year 2016 the world gold council forecasts demand for gold in India is about 950 tons. Under this monetization scheme if we can mobilize the estimated 20,000 tons of idle gold held by households and institutions, it can be given to Gems and Jewellery sector as raw material on loan through banks. Last year our countries' exports of gold items alone were 12% of total exports of our

country worth over 13 million dollars. As per the scheme the depositor will be paid interest at the rate of 2.5% per annum out of gold reserve fund and the redemption of deposits would be in cash. In order to make the Gold Monetisation Scheme more attractive, Govt. will now allow investors to redeem the principle in gold at the time of maturity and for that purpose an administrative charge at a rate of 0.2 per cent of the notional redemption amount rupee will be collected from the depositor. However the interest accrued shall be calculated with reference to the value of gold in terms of Indian rupees at the time of deposit and will be paid only in cash.

OBJECTIVES OF THE STUDY

- Main objective of the scheme is to mobilise a part of 20,000 tons of gold held idle by the households and institutions in the country
- Reducing the reliance on import of gold to meet the domestic demand.
- It may also help the bankers to have additional cash for lending purposes.
- Gold mobilised under this scheme may help the Govt. in reducing the borrowing cost by supplementing RBI gold reserves.

Research Methodology:

The study is done for knowledge enhancement. It is a basic research. It focus on expanding man's knowledge. So data is collected from secondary source like journals, articles, newspapers & websites.

Draft Gold Monetization Scheme for mobilisation of gold:

I. Purity Testing Centres:

BIS hallmark centres work as Purity Testing Centres under this Gold Monetisation Scheme me and they are engaged in certifying the purity of the gold. Once the customer collects the certifying copy from the centre about its purity of the gold, he may deposit the same with the bankers.

2. Deposit of Gold:

- After receiving the certificate given by the centre for the purity of the gold, the customer can deposit the same with the bank. Then the banker will open Gold Savings Account to the customer by crediting the quantity of gold into their account.
- The minimum gold proposed to deposit with the bankers as 30 grams so that it can be affordable by even small depositors.
- Interest payable by banks to the customers after 30/60 days, the rate is left to the bankers to decide. Suppose a customer deposits 100 grams of gold @ 1% interest, on its maturity he has a credit of 101 grams.
- Redemption option either in gold or cash is to be given in the beginning of the account itself.
- Like fixed deposits, the tenure of the deposits under GMS should be 1 year minimum with multiples of one year with breaking of lock-in-period.
- Similar tax exemptions under earlier Gold Deposit Scheme 1999 are allowed to this GMS also.

Schedule of Fees payable to Purity Testing Centre:

1. Melting charges

    a) Min. charges/upto 100 gms - Rs. 500 per lot

    b) 100 gms to 200 gms - Rs. 600

    c) 200 gms to 300 gms - Rs. 700

    d) 300 gms to 400 gms - Rs. 800

    e) 400 gms to 500 gms - Rs. 900

    f) 500 gms to 600 gms - Rs.1000

    g) 600 gms to 700 gms - Rs. 1100

    h) 700 gms to 800 gms - Rs.1200

    i) 800 gms to 900 gms - Rs.1300

    j) 900 gms to 1000 gms - Rs.1400

2. Testing/fire assaying charges - Rs. 300
3. Stone removal charges - at actuals Minimum charge - Rs. 100

4. Melting loss - at actual (Information as received from Indian Association of Hallmarking Centres-this is only indicative and is subject to change after consultations)

Transfer of Gold to the Refiners:

- Bankers after getting the gold processed through Purity Testing Centres may prefer to hold it themselves or they may ask refiners to keep the gold in their warehouses.
- And for the fee payable to refiners for their services by the banks, it will be as per their agreement Utilisation of Mobilised gold to reduce the costs of imports:
- Banks may lend their gold to jewellers under Gold Loan Account.
- Banks may get foreign currency against gold to lend the same to the exporters/ importers.
- They may convert it as gold coins to sell the same to their customers.
- Banks may utilise the mobilised gold as domestic commodity in exchanges.

Benefit to Government

- To meet the domestic demand our Government is importing more than 800 tonnes of gold every year. So this scheme helps in reducing the burden of importing gold.
- Govt. can ask the bankers to give the gold as loan to the Indian gems & jewellery sector as it is a major contributor to India's exports.
- The mobilized gold will reduce the govt. borrowing cost by transferring the benefit to RBI's gold reserves.

Risk involved :

As per the scheme the banks are expected to show interest in terms of gold to the depositors and while offering loans to gems & jewellery sector, they are expected to collect the interest in cash. But in case of rising of gold prices, the variation may put the banks into loss. It must be taken care of Government by creating a Reserve Fund out of benefits it gets from market borrowings may come to bankers' rescue.

Both Gold Monetisation Scheme and Gold Deposit scheme relates to deposit of gold. And Tax exemptions are also same for both the schemes. But as regards to its premature withdrawals, it is not allowed under Gold Deposit Scheme but allowed to take loan against its certificate. Under the Gold Monetisation Scheme premature withdrawals allowed with small penalty.

CONCLUSION:

Gold Monetisation scheme is intended to mobilise a part of about 20,000 tonnes of gold held idle by the households, institutions etc. It has all the tax exemptions given to Gold Bond Scheme. It helps the Government to reduce its market borrowings and save interest cost thereupon. In my opinion the Scheme is more attractive since it also contains exemptions against redemption at its maturity from wealth tax, capital gains tax etc. for deposit and interest upon. By going through all the above details I conclude that Gold Monetisation Scheme will definitely be successful in the long run.

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GREEN BONDS – A FINANCIAL INNOVATION FOR SUSTAINABLE DEVELOPMENT

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ABSTRACT
Green Bonds, an exciting financial instrument directing funds to environmental and climate projects, offer an opportunity for both investors and issuers to encourage sustainable growth. The growth of green bonds can be attributed to an encouraging trend towards environment, social and governance issues in the decision process for investments by institutional investors. The massive funding required for global transition to low-carbon and climate-resilient development and growth offers immense potential for healthy development of the Green Bond Market. Issues like standardization, monitoring, transparency, compliance and reporting are however to be addressed. This nascent stage offers opportunities for Indian entities to participate in the Green Bond market to attract capital for renewable energy investments and meet targets set under the National Action Plan on Climate Change. However Green Bonds are not a magic solution for financing climate change. But definitely the Green Bond markets will continue to play an important role in mobilizing private sector funds for climate finance.

Key Words: sustainable development; green bonds; climate bonds; climate finance; sustainable energy; renewable energy; environmental social and governance issues.

INTRODUCTION
Sustainable Development is defined as "Development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (Brundtland Commission Report, 1987). Climate Change poses the most significant challenge to achieve the ecologic, economic and social objectives that define sustainable development. Climate change is the consequence of unchecked pollution. When carbon emissions caused by human activity enter the air they have dangerous effects on the environment, the economy, and our wellbeing. The immediate need is to drastically reduce the pollution we create by accelerating the pace of transition to an era of sustainable and efficient energy. The need of the hour is to switch to clean, renewable sources of energy, and end our reliance on conventional and traditional energy sources like fossil fuels. This transition to sustainable energy is possible only if significant investments are directed towards the sustainable energy sector. The challenge is to find funding for climate- friendly

investments as governments cannot do much with their deficit budgets. Greening economies requires significant investment. The International Energy Agency (IEA) estimates that an additional $36 trillion investment is needed by 2050 to reduce energy-related carbon emissions. (IEA,2012) Another $7 trillion to $10 trillion is required for adapting to climate change in sectors such as agriculture, water, health and infrastructure (World Bank, 2010). Green Bonds a financial innovation has the potential to spur environmental and social sustainability. Green bonds were created to increase funding of climate-friendly projects worldwide by accessing the bond market and increasing well informed skilled investor base for environmentally sound projects.

Objective of the study

This paper provides an overview of the concept of Green Bonds, their structure, international trends opportunities and challenges. It also examines what drives Green Bond issues in India and the measures to develop the Green Bond market.

What is a Green Bond?

A “Green Bond” is functionally like any other bond issued by governments, financial institutions or companies. It is a tradable financial instrument that allows the issuer of the bond to borrow funds with a promise to pay back the principal, usually with interest by a certain date. The difference is that the bond proceeds are exclusively utilized for financing environmentally beneficial projects/purposes only. Green bonds can be broadly defined as “fixed-income securities issued (by governments, multinational banks or corporations) in order to raise the necessary capital for a project which contributes to a low carbon, climate resilient economy”. (Della Croce et. al. 2011, p. 31)

The International Capital Market Association’s Green Bond Principles defines a green bond fairly broadly: “…any type of bond instrument where the proceeds will be exclusively applied to finance or re-finance in part or in full new and/or existing eligible Green Projects... Green Projects are defined as projects and activities that will promote progress on environmentally sustainable activities as defined by the issuer and in line with the issuer’s project process for evaluation and selection. ”According to Climate Bond Initiative “A Green Bond is where proceeds are allocated to environmental projects. The term generally refers to bonds that have been marketed as “Green”. They also include financing for forest and watershed management and infrastructure to prevent climate-related flood damage and build climate resilience or even developing parks but in practice they have been mostly used to finance climate mitigation or adaption’s, including clean energy, energy efficiency, mass transit and water technology.

World Bank Green Bonds Eligibility Criteria

Given below are examples of mitigation and adaptation projects that meet the Green Bond eligibility criteria and thus are eligible to be supported by the World

Bank's Green Bond program:

Examples of eligible mitigation projects.

- Solar and wind installations;
- Funding for new technologies that permit significant reductions in greenhouse gas (GHG) emissions;
- Rehabilitation of power plants and transmission facilities to reduce GHG emissions;
- Greater efficiency in transportation, including fuel switching and mass transport;
- Waste (methane emissions) management and construction of energy-efficient buildings;
- Carbon reduction through reforestation and avoided deforestation.

Examples of eligible adaptation projects.

- Protection against flooding (including reforestation and watershed management);
- Food security improvement and implementing stress-resilient agricultural systems (which slow down deforestation);
- Sustainable forest management and avoided deforestation.

The key difference between conventional and green bonds is the specified use of proceeds from the bond sale. Proceeds from green bonds are earmarked for green projects. Green bonds are monitored to ensure that they are fulfilling their environmental objectives. Climate Bonds are a type of green bonds which are issued to finance or refinance projects to address climate change initiatives though both are used interchangeably. There are no standard definitions of Green Bonds as of now. Currently several approaches are being developed to either standardize or set parameters as to what may be considered to be a green bond.

Types of Green Bonds

Green "Use of Proceeds Bonds" are those earmarked for green projects and have standard/full recourse to the issuer.

Green "Use of Proceeds Revenue Bonds" are earmarked for green projects and the debt recourse is the revenue streams from the issuer.
Green Project Bonds are ring-fenced for the specific underlying green project(s) and recourse is only to the project's assets and balance sheet.
Green Securitized Bonds are either earmarked for (1) a group of green projects or (2) specific green projects with the group. The debt recourse is to a group of projects that have been grouped together.

Global Trends

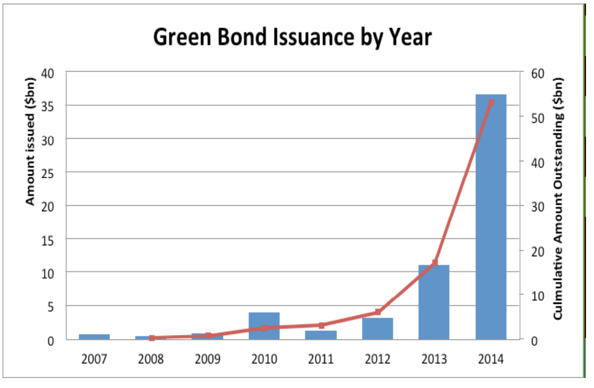
The first climate-labelled bond was issued by the EIB in 2007. The five-year, 600 million AAA-rated Climate Awareness Bond was set aside for renewable energy and energy-efficiency projects that receive loans from the bank. The World Bank followed in 2008 with its inaugural SEK2.85 billion Green Bond that extended the use of proceeds to include waste, agriculture, forestry and adaptation investments (World Bank, 2013). Since then, other multilateral institutions such as the Asian Development Bank (ADB), IFC, EBRD, AfDB, as well as national development finance banks such as Norway's Kommunalbanken, South Africa's Industrial Development Corporation and the Export-Import Bank of Korea (Kexim) have followed suit with green bonds that also include water and bio fuel investments. Late 2013 saw the beginning of corporate issuance modeled on the World Bank and EIB programs, where the use of corporate green bonds is limited to investment in green assets. In recent times majority of the issues have come from issuers outside the Multilateral Development Banks like Corporates, Utility Companies, Government Agencies and Public Authorities. By the end of 2014, green bonds had been issued in more than 20 different currencies and from issuers with credit ratings ranging from triple-A to single-B. This offers diversity to investors.

The Green Bond Market: From Niche to Mainstream

Source: Climate Bonds Initiative, MSCI ESG Research, Barclays Research

With increasing focus on environmentally sustainable and green infrastructure, investments in the sector have increasingly been adopted as part of social and corporate responsibility by investors' especially institutional investors. The green bond market is growing rapidly, with $11 billion raised through green bond issuances in 2013, which grew to $36 billion in 2014 and $41.8 billion by the end of 2014. With the issue of 14.43 billion by the end of March 2016 a projected issuance of $100bn for 2016 will not be difficult to achieve. (Climate Bonds Initiative, 2015) In just few years "green bond" market has grown from modest issuance by a handful of development bank and supranational issuers to corporations who are the largest issuers of green bonds. Apple Inc has issued $1.5 billion in bonds dedicated to financing clean energy projects across its global business operations, the largest green bond to be issued by a U.S. corporation, in February 2016. The California-based tech giant said proceeds from the green bond sales will be used to finance renewable energy, energy storage and energy efficiency projects, green buildings and resource conservation efforts.(Climate Bonds Initiative,2015)

Green Bond Issuance by Year



Evolving Green Bond Standards

There are several evolving standards and sources of guidance on green bond each having a different purpose and approach. More popular among them are:

1) Green Bond Principles

2) Climate Bonds Standard

3) Bond Indices

The International Capital Market Association has released "Green Bond Principles" which are voluntary guidelines for issuers and bankers which help determine

- which project or process will be considered eligible to be considered green
- what process will be used to apply green criteria to select the project/process.
- What process and contents are in place to ensure funds are used only for the specified green projects
- How projects will be evaluated and progress reported against both environmental and financing criteria.

The Climate Bonds Initiative an international investor-focused not for profit organization has apart from issuing standards which define what is considered "green" has developed environmental standards with which projects must comply in order to achieve the corresponding certification mark. Investors of these approved programs are therefore assured that their funds are being used for projects which support climate change; and the green bonds associated with these projects are easily labeled and identifiable. Currently standards are available only for wind and solar energy generation projects. Standards for other green projects are being developed. A growing number of Green Bond Indices have been launched by investment banks or credit rating agencies like (i) Barclays/MSCI (ii) Standard & Poors /Dow Jones (iii) Bank of America which is another important evolutionary step in providing further transparency to the market, giving investors a means to evaluate performance and assess risk. Each index has different requirements for eligible green bonds. These indices are designed to help investor's benchmark green bond performance. Inclusion on a green bond index could improve issuer's reputation, credibility and visibility to investors.

Opportunities and Challenges

Green bonds have opened a new finance flow that will be essential to confronting climate change. Green bonds fund projects that have positive environmental and/or climate benefits. They give investors a chance to direct capital to climate change solutions. They offer the same returns as other bonds, but with the added benefit that funds are only going to climate change solutions. Green Bonds satisfy the needs of financial Institutions, Developers, The State and Investors

1) Financial Institutions can overcome the challenge of sector limits by deploying bond proceeds into new projects.
2) Green bonds will allow developers to access international capital at attractive terms, providing additional cash for growth as high cost of equity is replaced by low cost debt.
3) For Investors the long term competitiveness of green assets, high liquidity of

bond markets and low operational risk, is an attractive basket of investment.

4) The State gets a non-traditional source of funding its green projects by attracting capital to meet targets of Action Plans on Climate change. The large foreign capital inflow into the country will expand foreign exchange reserves.

5) They are especially attractive to investors looking to integrate environmental, social and governance (ESG) factors into their fixed-income investment portfolios. They offer investors almost unparalleled visibility about the use of invested funds and the expected positive social and environmental impacts.

The above mentioned benefits however have to be weighed against the following limiting factors:

1. The lack of standard definition of what makes a bond green brings an uncertainty as to whether all green bonds are really green.
2. Bond proceeds may be used to finance projects which stakeholders may not believe to be green.
3. Some companies may be raising funds for green projects but their core business may be unsustainable.
4. Proceeds are not tracked and monitored effectively to ensure that they are used only for the intended purpose for which they were raised.
5. Issuers are unable to prove that the funded projects have benefited the environment.
6. Green Washing is a major risk where borrowers divert proceeds to activities that are not green enough.

Need of the Hour

- Global agreement on “What is Green”
- Ensuring transparency and compliance.
- Putting in place robust monitoring processes.
- Harmonized impact reporting.

Thus converging the multiple definitions of Green Bonds and increased transparency around connecting the source of funding with the expected impact that they are supporting will ensure continued responsible growth of the Green Bond Market.

Green Bonds in India

In India which is the world's biggest greenhouse gas emitter after the US and China, renewable energy accounts for only 12.14% or 31,692.14MW of the total installed capacity of 261,006.46MW. The emphasis on solar and wind power strengthened the country's standing at global climate change negotiations that culminated in a summit in Paris in December 2015. An estimate suggests that at least USD 2.5 trillion (at 2014-15 prices) will be required for meeting India's climate change actions between now and 2030.Besides India has an ambitious target of building 175 gigawats of renewable energy by 2022 from the present level of just 30 gigawats. This requires a massive $200 billion in funding.(SEBI,2015). Green Bonds would provide the needed innovative financing tool which has the benefit of flexible tenors and lower cost for funding India's renewable energy targets. Though globally the market for Green Bonds is growing very fast, in India it is still in the nascent stage. Given the government of India's focus on renewable energy and the challenges around conventional lending, there is a need for innovative financing structures which could impart flexibility on tenors and lower the cost of funding. The Green bond is one such specialized avenue to provide for such financing. While globally there are many 'Green' focused funds and multilateral financing entities with specific mandates of investing in Green bonds or lending to green projects, the market for Green Bonds is quite nascent in India.

Drivers of Green Bonds in India

- Government of India has launched eight Missions as part of the National Action Plan on Climate Change (NAPCC) in specific areas i.e. Solar Energy, Enhanced Energy Efficiency, Sustainable Habitat, Water, Sustaining the Himalayan Eco-system, Green India, Sustainable Agriculture and Strategic knowledge for Climate Change which include assessment of the impact of climate change and actions needed to address climate change. Huge funding required for these opens up opportunities for Green Bond Issues.
- Green Bonds would enable targets under NAPCC to be met along with offsetting the oil import bill with large scale foreign capital inflows into the Green Bond market.
- Urbanization in India is increasing at very high pace pressurizing the already crowded public infrastructure and services. The challenge is to ensure that public infrastructure provides clean water, clean air and facilitates a sustainable low-carbon economy. This provides an opportunity to capitalize for the green bond markets.
- India maintains a reasonably high savings rate (30% of GDP). Unfortunately

majority of savings are invested in physical assets. However a shift is being witnessed with investments in financial assets. This indicates the potential to develop a vibrant and growing debt market.

- Green Bonds issued in India provide an opportunity for FII to participate in the domestic bond market. The market at its nascent stage helps to capture the attention of investors.

Recent Green Bond Issues

India has lately seen issue of Green Bonds by three entities, brief details of which areas under

i. Yes Bank came out with first green bond issuance of Rs.1000 core(10-year tenure) in India in February 2015, which was oversubscribed almost twice and the issue proceeds to be utilized for funding renewable energy projects such as solar, wind and biomass projects.

   Another issue of Green Bonds in August 2015, for Rs315 crore (10 year) was subscribed by the International Finance Corporation.

ii. CLP India the first Indian Corporate raised Rs.600 core with an issue of green bonds, the first from an Indian corporate. The bonds have been offered at a coupon of 9.15 per cent per annum

iii. Exim Bank came out with a dollar denominated Green Bond issue in March 2015.(a five-year $500 million green bond). The issue was subscribed nearly 3.2 times and the proceeds from the issue would be utilized towards funding eligible green projects in countries including Bangladesh and Sri Lanka.

iv. IDBI Bank has raised US$350m 5-year bonds, priced at Treasuries plus 255bp, with issue receiving an oversubscription of three times. Maximum investment came from Asia at 82% and rest from Europe at 18%.

CONCLUSION

Green bonds are a positive, innovative development that has gained broad support. They have initiated a new trend in sustainable and responsible bond markets. Investors are able to integrate environmental social and Governance citeria into their fixed income portfolios. Issuers who acknowledge ESG criteria of investors are able to direct funds towards more purpose related investment. They have immense potential to help address the challenge of financing the global transition to low-carbon and climate-resilient development and growth. However Green Bonds are not a magic solution for financing climate change. But definitely the Green Bond markets will continue to play an important role in mobilizing private sector funds for climate finance. They will no doubt influence the investment decision making process to seek not only financial ratios but also positive social and environmental results too.

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A COMPARATIVE STUDY ON BRAND PREFERENCE IN RURAL AND URBAN AREAS WITH REFERENCE TO SELECT FMCG PRODUCTS

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ABSTRACT

New Economic policy of Indian Government open gates for most of the popular multinational branded products into Indian markets which changed life style of both urban and rural consumers. For FMCG products brand is becoming a deciding factor in both rural and urban markets. Indian consumers are changing their attitude from traditional to modern setups. The penetration of cable TV has brought burgeoning change in the consumption pattern of both rural and urban consumers. This article focuses on these pivotal changes that are taking place in and around the present market. Internet revolution is becoming a deciding factor in selecting brand. Youth population in the country is increasing is also becoming a deciding factor in the brand preference. Awareness level of the consumers is increasing both in Rural and Urban areas particularly in FMCG products.

Key Words: Brand Preference, Packaging, Rural Area, Urban Area, FMCG Products.

INTRODUCTION

Brand preference is a selective demand for a company's brand rather than a FMCG product: the degree to which consumers prefer on brand over another. The percentage of people who claim that a particular brand is their first choice. People begin to develop preferences at a very early age. Within any FMCG product category, most consumers have a group of brands that comprise their preference set. These are the four or five up market brands the consumer will consider when making a purchase. When building preference the goal is to first get on the consumer's preference sets, and then to move up the set's hierarchy to become the brand consumers prefer the most- their up market brand. Gaining and maintaining consumer preference is a battle that is really won. The Fast Moving Consumer Goods (FMCG) sector is a corner stone of the Indian economy. This sector touches every aspect of human life. The FMCG producers have realized that there is ample opportunity for them to enter into the rural market.' Today we notice this shift towards branded FMCG'S in rural areas as a result of Socio Economic & Political changes in the last 5 years. This has made rural areas more viable markets even compared to urban areas. Packaging is also playing an important role in choosing branded product.

Brand awareness

A Brand is a “Name, term, design, symbol, or any other feature that identifies one seller’s good or service as distinct from those of other sellers. Branding began as a way to tell one person’s cattle from another by means of a hot iron stamp. Brand awareness refers to customers’ ability to recall and recognize the brand under different conditions and link to the brand name, logo, jingles and so on to certain associations in memory. It consists of both brand recognition and brand recall. It helps the customers to understand to which product or service category the particular brand belongs and what products and services are sold under the brand name. It also ensures that customers know which of their needs are satisfied by the brand through its products. Brand awareness is of critical importance since customers will not consider your brand if they are not aware of it. There are various levels of brand awareness that require different levels and combinations of brand recognition and recall. Top-of-Mind is the goal of most companies. Top-of-Mind Awareness occurs when your brand is what pops into a consumers mind when asked to name brands in a product category. For example, when someone is asked to name a type of facial tissue, the common answer is “Kleenex,” which is a top-of-mind brand. Aided Awareness occurs when a consumer is shown or reads a list of brands, and expresses familiarity with your brand only after they hear or see it as a type of memory aide. Strategic Awareness occurs when your brand is not only top-of-mind to consumers, but also has distinctive qualities that stick out to consumers as making it better than the other brands in your market. The distinction that set your product apart from the competitor’s is also known as the Unique Selling Point (USP). ‘Brand awareness refers to a consumer knowing of a brand’s existence; at aggregate brand level it refers to the proportion of consumers who know of the brand.’

OBJECTIVES OF THE STUDY

The Primary Objective is to study perception and buying behavior of customers towards various branded FMCG products in rural and urban areas.

The Secondary Objectives of this study

1. To study the Brand awareness levels of various FMCG products in Rural and Urban areas.
2. Factors affecting decision making in purchasing branded FMCG products.
3. To study the consumption levels of rural and urban customers.

4. To study the impact of demographics on consumption of branded FMCG products.

RESEARCH METHODOLOGY

Source and Collection of Data:

The study is mainly based on primary data which will be collected through personal interviews with structured scheduled questionnaires. Secondary data will be taken from books, Journals, Magazines and internet etc.

SAMPLING CRITERIA

Data for the study will be taken from Hyderabad and Mahabubnagar districts and the population is spread over these two districts. The sample will be taken using multistage random sampling method, where district as a whole unit villages as are study units. The respondents from sample unit will be chosen through simple random sampling method.

Sample size:

	Urban	Rural
Consumer	50	50

Total sample size is 100.

Sampling Procedures:

To obtain a respective sampling, probability samples of the population should be drawn a primarily data will be collected a through a structured questions of the buyers which are selected on the stratified sampling basis. Analysis of data interpretations, the data collected be classified and tabulated using the one- way. Two-way, the statistical looks like averages, percentages may be used to analyze the data.

Data Collection Techniques:

The data will be collected through a structured questionnaire that consists of open and closed ended questions.

LIMITATIONS OF THE STUDY:

1. Since the study is about customer preferences, whatever found in the study may not be preferences of entire population in the market.
2. Preferences of the customer changes time to time so the data timeliness may effect.
3. As it is open fact that sample survey has its own limitations, the same may be applicable to this study too.

DATA ANALYSIS

Table 1: Gender of the respondents

	Male	Female	Total
Rural	40	10	50
Urban	20	30	50
Total	60	40	100

60 percent respondents are female and 40 percent are male.

Table 2: Age of the respondents in years

	Below 25	25-35	35-50	50 Above	Total
Rural	20	15	8	7	50
Urban	25	13	9	3	50
Total	45	28	17	10	100

Majority of the respondents' age is between below 50 years in both rural and urban areas.

Table 3: Income of the respondents (Per month in Rs/-)

	Below 5000	5,000-10,000	10,000-25,000	Above 25000	Total
Rural	21	14	10	5	50
Urban	6	12	25	7	50
Total	27	26	35	12	100

61 percent respondents income is between Rs 5000 to Rs 15000 per month in rural and urban areas together.

Table 4: Awareness of the respondents with reference to select FMCG products

	Rural	Urban	Total
Advertisement	10	26	36
Point of Sale	18	14	32
Offers	5	5	10
Friends	9	2	11
Family Members	8	3	11
Total	50	50	100

It is observed that majority of the urban and rural respondents are getting awareness through advertisements i.e., 36 percent and point of sale occupies second place in awareness creation.

Table 5(a): Are you aware of FMCG brand? [Rural]

	Yes	No	Can't say	Total
Close-up	20	12	18	50
Colgate	25	13	12	50
Gemini Tea	32	6	12	50
Santoor	38	7	5	50
LUX	28	12	10	50
XXX	18	12	20	50
Surf excel	22	14	14	50
Wheel	27	15	8	50
Head & shoulders	19	12	19	50
Dove	15	20	15	50

It is found that the rural respondents are aware of above mentioned brands which is obtained through brand recall test.

Table 5(b): Are you aware of FMCG brand? [Urban]

	Yes	No	Can't say	Total
Close-up	25	10	15	50
Colgate	30	15	5	50
Gemini Tea	34	6	10	50
Santoor	31	12	10	50
LUX	21	10	19	50
XXX	17	13	20	50
Surf excel	22	18	10	50
Wheel	19	12	19	50
Head & shoulders	25	15	10	50
Dove	20	15	15	50

It is found that the urban respondents are aware of above mentioned brands which is obtained through brand recall test.

Table 6: What factors do you like in your present product?

	Rural	Urban	Total
Quality	8	15	23
Price	18	10	28
Fragrance	6	8	14
Availability	8	7	15

Package	10	10	20
Total	50	50	100

It is evident from the study that majority customers like quality, price and package of the product.

Table7: Are you satisfied with existing product?

	Yes	No	Can't say	Total
Rural	30	12	8	50
Urban	24	16	10	50
Total	54	28	18	100

60 percent of the respondents in rural area and 58 percent of respondents in urban area are satisfied with their present brand.

Table 8: How long are you using Branded FMCG Products?

	Rural	Urban	Total
6 Months	4	12	16
1 Year	14	17	31
2 Years	14	15	29
3 Years	9	4	13
Above 3 Years	9	2	11
Total	50	50	100

64 percent of the respondents in rural area and 42 percent in urban area are using branded products more than two years which shows brand loyalty level. Brand loyality level is more in rural area when compared to urban area.

FINDINGS

- The study group age is lying between 25 years to 50 years.
- The average income of rural respondents is between Rs 5000 to Rs 15000 per month.
- The average income of urban respondents is between Rs 5000 to Rs 15000 per month.
- The study clearly shows that both urban and rural customers are highly influenced by advertisements and point of sale.
- It is a pleasure to say that rural customers remembering brand names that they are using.

- It is needless to say that urban customers are crazy of brands.
- When it comes to the factors influencing purchasing, the study found four key factors such as quality, price, fragrance and package.
- It is observed that limited number of respondents are happy with their present brands (products). On the other side 46 percent consumers are showing interest in changing their brands.
- From the study it is clear that the urban and rural customers are brand loyals. But in recent past loyalty levels are decreasing.

CONCLUSIONS:

The Brand awareness in rural areas particularly in respect of beauty care and health care products is showing an increasing tendency along with urban areas. For Ex: Colgate Tooth Paste, Head & Shoulder (shampoo). People are not worried about the price of the product. They are showing willingness to spend higher price when they realize that they can afford to spend. Since the usage of branded products of reputed companies will elevate their status as well as stature in the society. This change in the attitude to spend more on the highly priced branded products (Example: Dove Soap) among high income groups in rural areas clearly suggests that there is a ample scope for such products to capture the markets in this areas by increasing the supply of these products.

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A STUDY ON HR PRACTICES AT BAJAJ

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INTRODUCTION

Human Resources Management is concerned with human beings, who are the energetic elements of management. The success of any organization or an enterprise will depend upon the ability, strength and motivation of person's working in it. The Human Resources Management refers to the systematic approach to the problems in any organization. It is concerned with recruitment, training and Development of personnel. Human resource is the most important asset of an organization. It ensures sufficient supply, proper quantity and as well as effective utilization of human resources. In order to meet human resources needs, and organization will have to plan in advance about the requirement and the sources, etc. The organization may also have to undertake recruiting selecting and training processes. Human Resources Management includes the inventory of present manpower in the organization. In cases sufficient number of persons is not available in the organization then external sources are also identified for employing them. Human Resources Management lays emphasis on better working condition and also ensures the employment of proper work force. A part of Human Resources Management is assigned to personnel who perform some of the staffing function. The staffing process is a flow of events, which result in a continuous managing organizational position at, all levels from the top management to the operative's level. This process includes manpower-planning, authorization for planning; developing sources of applicant evaluation of applications employment decision (selection) offers (placement) induction and orientation, transfers, demotions, promotions and separations.

Manpower's planning is a process of analyzing the present and future vacancies as a result of retirement, discharges, transfer, promotion, absence or other reasons. Recruitment is concerned with the process of attracting qualified and components personnel for different jobs. This includes the identification of existing sources of the labor market, the development of new sources and the need for attracting large number potential applications so that good selections may be possible.

OBJECTIVES OF THE STUDY:

To understand the current Recruitment Policies being followed at "Bajaj " conducted this study and to know how effectively it is being implemented in the organization.

- To study the present Recruitment Policies "Bajaj "
- To study the different methods of recruitment & selection depending on the requirements of the organization.
- To find the relationship whether jobs offered based on qualification to the employees in the organization.
- To study the level of job satisfaction in the organization.
- To study the changes of recruitment policy in recent times in the organization.
- To know how the company fulfills its manpower requirements.

RESEARCH METHODOLOGY

Scope of Study:
The study was confined to territorial division of "Bajaj "Hyderabad with special reference to its Recruitment policy.

Sample Size:
The study was conducted with sample size of 60 employees selected at random from both supervisory and management staff of" Bajaj".

Data Collection:
Primary data:
A detailed and well-structured questionnaire was presented to the managerial staff at "Bajaj". Copies of the questionnaire being distributed to the employees at random to obtain their views followed this. Further discussions regarding the recruitment policies were held with the HRD manager to have an in-depth knowledge and future plans of the company for its effective implementation.

Secondary data:
Secondary data's are in the form of finished products as they have already been treated statistically in some form or other. The secondary data mainly consists of data and information collected from records, company websites and also discussion with the management of the organization. Secondary data was also collected from journals, magazines and books.

Analysis:
The data collected through questionnaires distributed to the employees was analyzed and interpreted using the MS-EXCEL.

LIMITATIONS:

- The study thus conducted is restricted to the “Bajaj ” Hyderabad only.
- The accuracy of the study is based on the information given by the respondents.
- Data collected cannot be asserted to be free from errors because of bias on behalf of the respondents.
- As the sample size consists size consists of only 60 employees its accuracy has its limitations.

RECRUITMENT

Recruitment forms the first in the process, which continues with selection and ceases with the placement of the candidate. It is the next step in the procurement function, the first being the manpower planning, Recruitment makes it possible to acquit the number and types of people necessary to ensure the continued operation of the organization.” Recruitment is the discovering of potential applicants for actual or anticipated organizational vacancies”. Recruitment has been regarded as the most important function of personnel administration, because unless the right type of people is hired, even the best plans, organization charts and control systems would not do much good.

PURPOSES AND IMPORTANCE:

- Determine the present and future requirements
- Increase the pool of job candidates at minimum cost
- Reduce the probability of employee turn over
- Increase the success rate of the selection process
- Increase organizational and individual’s effectiveness

EFFECTS:

Positive Recruitment Process

- Attract highly qualified and competent people
- Ensure that the selected candidates stay longer with the company
- Make sure that there is match between cost and benefit
- Help the firm create more culturally diverse work-force

Negative Recruitment Process

- Failure to generate qualified applicants
- There is no match between cost and benefit
- Extra cost on training and supervision
- Increases the entry level pay scales

PROCESS:

- Planning
- Strategy development
- Searching
- Screening
- Evaluation and control

EMPLOYEE RECRUITMENT:

In the working place is essential to a company's long term success. By hiring correctly, an organization adds the talent it needs and can enjoy the benefits in increased productivity and morale. However this process is not simple and if the careful process of selection is not followed: you can be mired with poorly skilled, unmotivated and un-loyal labor force which can impact future profits as well as other employee behavior. Recruitment, Quite often this word stands alone when some gaming companies develop a human resources management strategy. An organization cannot develop a recruitment strategy without simultaneously for mulcting an employee retention plan. Simply stated, it is one thing to attract workers, but quite another to retain them.

FACTORS EFFECTING RECRUITMENT:

All organizations whether small or large, do engage in recruiting activity, though not to the same extent. This differs with

1) The size of the organization.
2) The employment conditions in the community where the organization is located.
3) Working conditions, salary and benefit packages offered by the organization.
4) The rate of growth of the organization.
5) Future expansion program of the organization. And

6) Cultural and legal issues.

7) Organization's ability to find and retain good performing people.

ADVANTAGES:

- Benefits of new skills, new talents and new experiences to organization
- Compliance with reservation policy is easy
- Scope for resentment, jealousies and heartburn are avoided

DISADVANTAGES:

- Better morale and motivation associated with internal recruiting is denied to the organization
- It is costly chances of creeping in false positive and fake negative errors
- Adjustment of new employees to the organizational culture takes longer time.

DATA ANALYSIS AND INTERPRETATION

1. Employees were asked whether they were allocated the post opted by them, for which the following responses to were obtained.

options	No. of. Respondents	Percentage
Yes	48	80
N o	12	20
Total	60	100

INTERPRETATION:

Out of the 60 respondent whose opinion was asked. Allocation of the post, 80% of respondents said that they were allotted the post opted by them where as 20% of the respondents said that they were no allotted the opted by them. Majority of the employees are satisfied with their allotted post in the organization, but still a few employees are dissatisfied with the posts allotted to the in the organization.

2.Employees were asked as to how they were recruited in the company for which the following responses were obtained.

Options	No. Of. Respondents	Percentage
Open competition	45	75

Recommendations	0	0
Employment exchange	0	0
Trade union recommendations	0	0
Consultancy	6	10
Campus interviews	9	15
Total	60	100

INTERPRETATION:

Out of the 60 respondent questioned about their recruitment in the organization 75% of the respondents were recruited through open competition, 10% through consultancy and 15% through campus interviews. Majority of the employees were recruited through open competition which is a good sign of transparent recruitment policy in the company.

3. Employees were asked whether they found any relations their qualifications and the job offered to them, for which they responded in the following.

Options	No. Of. Respondents	Percentage
Yes	48	80
No	12	20
Total	60	100

INTERPRETATION:

Out of 50respondents who are asked whether they found any relation between their qualification and the jobs offered to them, 80% of the respondents said that they found a relation where as 20% of the respondents said that they did not find any relation. Majority of the employees are satisfied with their jobs where as the rest of the employees are not satisfied with their jobs as they do not find any relation between their qualification and the job thus offered to them.

4. The employees were asked whether the requirement of manpower is identified well in advance considering the factors like retirement and also budgeted plans for which they responded in the following way.

Options	No. Of. Respondents	Percentage
Yes	48	80
No	12	20
Total	60	100

INTERPRETATION:

Out of 60 respondents whose opinion was asked if the requirement of the manpower in each department/ division is identified well in advance, 80% replied in affirmative and 20% said no. Majority of the employees agreed that the manpower requirement of each department was identified well in advance.

5. Employees were selected by in their company for which the following responses were obtained.

OPTIONS	NO.OF.RESPONDENTS	PERCENTAGE
Aptitude test.	29	48
Achievement test	0	0
Situation	6	10
Interest test	12	20
Personality test	13	22
TOTAL	60	100

INTERPRETATION:

Out of the 60 employees asked about the job selections test at the time of their selection time, have given their respective jobs for which 48% of the employees said that they took through aptitude test, 10% was told that situation test, 20% told that interest test and 22% employees given the response like personality test so company was taken more employees through aptitude test. Majority of the employees recruited through the aptitude test so this company has to give the equality for the all the test which is mentioned in the above.

6. Employees were selected by type of interview in their company for which the following responses were obtained.

OPTIONS	NO.OF.RESPONDENTS	PERCENTAGE
Panel interview	20	33
Stress interview	1	2
Formal interview	25	41
informal interview	10	17
If any other specify interview	4	7
TOTAL	60	100

INTERPRETATION:

Out of the 60 employees were response like 33% panel interview, 2% through stress interview, 41% through formal interview, and 17% through informal interview 7% other kind of interview all the employees agreed for interview important. All the employees agreed that the it's very important to have conducted many type of interview for the all the employees.

FINDINGS

92% of the employees have been working in the organization for a long period which signifies the job security and satisfaction offered by the company to its employees.

This study shows that 44% of the employees have joined this organization aiming for career growth, good pay scales, and more benefits which the company offers. Thus the statistics shows that the company has a positive outlook towards the career growth of its employees in addition to the other existing benefits.

The company's approach to its recruitment policy shows that the right person is very essential for the right job, as nearly 88% of the employees felt that they were offered jobs according to their qualification and experience. Thus setting a relationship between qualification and job offered.

The study shows that 72% of the employees were of the opinion that the recruitment policy of the company is decentralized with each department recruiting its own employees as per their requirement from the time to time.

SUGGESTIONS

- H.R Department should be more practical and efficient so that the recruitment and selection become more effective.
- Stress should be given on proper maintenance of database of application for future recruitment in the organization and the Company should follow new traits / trends in the recruitment process.
- The stress should be given on knowledge and the experience should be the major criteria for selection of employees.
- More stress should be given to recruit qualification & skills percentage for scrutinizing the application of prospective candidates.

CONCLUSION

The source of recruitment in the organization is totally based in both the factors i.e. internal and external. The recruitment of the prospective candidate for a particular post is based in experience, age, qualification and percentage in the academic year. The selection process is totally based on skills, communication and technical qualities. The formal interview is conducted by the HRD.

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CONSUMER BEHAVIOR TOWARDS TOURISM IN INDIA - A CASE STUDY OF TELANGANA STATE

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ABSTRACT:
A tourism activity in the world has grown into a multi-billion industry and a multifaceted activity. Hence present research in the area of Indian tourism in general and Telangana tourism, in particular. The purpose of the present paper is to understand the behavior of the consumers towards tourism and prospects of tourism industry in India. The Indian tourism industry today is on the verge of a big change for large economic gains. On the other hand, tourism is much more than an economic activity; it has become a way of life. The paper analyses the key factors which influence the behavior of the consumer towards tourism and the changes in the path of revolutionizing the tourism industry in the new millennium. By making use of primary data and appropriate secondary data, the authors try to understand the interactivity between tourism enterprise and its stakeholders, including consumers. The essentiality of promoting sustainable tourism is underscored.

Key words: Consumer behavior, Tourism, Destination Marketing, Experiencial Marketing

INTRODUCTION:
Though confined to his hearthstone and home his ground of birth of domicile, man is a creature who loves to travel, if only to search for new adventures or explore new lands to conquer and occupy. Since the beginning of human history, this urge to move about has been an important human activity. From the earliest historic times man has cherished the desire to discover the unknown, explore new and strange places, to seek changes of environment and to undergo new experiences. There was a time when men and women along with their families or tribes roamed about in search of food and shelter, and in the process, discovered new areas to settle down. The search for food and shelter led to new conquests and adventures. The mythologies, epics and historic of various nations contain decryptions of such adventure. (Bhatia A.K 1982)

The process has continued through the age, which have perhaps also corresponds with different states in the development of technology and the changes in the mode or travelling and the facilities available. Meanwhile, new worlds have been discovered, new areas brought under human occupation, new nations have emerged and there have been reloventory changes in technology as well as human expectation, but the urge to travel has remained unchanged. Over the countries the passion for travelling has become stronger and more popular among the average citizens. New motives have been added to the reasons for people undertaking long or short journeys, for example, the curiosity or urge to see different people or just to have some adventure, a change from the normal ways of life, some elation and fun. In fact, this latter type of travelling has become more common and rewarding during recent decades. This hobby or raveling largely goes under the broad and general term of tourism.

The new phenomenon of travelling more for the thrills of adventure and fun, etc. have become a worldwide movement with its domestic and international aspects, and many allied or subsidiary activities have also been generated by it. (McIntosh, R.N 1999) Before quoting some appropriate and current definitions, we may note some of the prominent or noticeable characteristics of the phenomenon. The first element is the movement of the people, a physical movement, a journey. It can be for a short excursion, a day trip or even a half day, for a short and temporary stay or visit of sight and recreational natures but not for residence or for a purpose or work. The destination or place of a visit can be within the country or beyond the national frontiers. The journey may cover more than one place of centers of attraction.Above all, it’s generally a leisure time activity, through quite often, and business is combined of travel and the views of foreign exchange facilities. In fact, such trips within a country had outside are becoming quite popular. In the year 1910, an Australian economist, Herman scholars took of the economic aspects and potentials of the growing tourisms movement in Europe and defined tourism as the sum of total operation mainly of economic nature which relate directly to the entry, stay and movement of foreigners inside or outside a city, region or a country.

Milestones in Tourism Development:

Before looking at the emergence of tourism industry in India, looking at the history of travel, would be in order, in the history of the world, there has never been a migration of people from one country to another on such a large scale as it takes place today. The resident of one of the most advanced country. Spent more than 300 billion on domestic, international travelling which are more than the expenditure to their country on defense. (Bhatia, A.K 1993). Out of much reason for the rapid growth of this industry in the world, a rapid change in automotive industry is important. Fast expansion of aircraft fleets, improved communication system, worldwide availability of rental care and accommodations are a few reasons to home. Although there has been travelers in the past also but people believed that man prefers safety necessary. For example argons left central Asia due to changes in climatic conditions. The travel is directly related to trade because with the invention of many people started trading and for trading they went from one place to another. It's also supported by the civilization of Mohan jadaro and Harappa where money has been already in existence. In the 2000s, the growing public interest in tourism resulted in the recognition of tourism as an export industry (including the implied tax exemptions) and the creation of a special public tourism finance corporation. According to some, the plan didn't present anything new. It just was phrased in a more fashionable development sector jargon (Singh, 2007:144). Others maintained that the plan was over-ambitious and unrealistic. Funding by no means matched the challenging quantitative targets (Raguraman). In fact, from independence onwards the budget outlays for tourism have always been very small (less than 0.2%). This goes for India's share in worldwide international tourism too. During the first fifty years of independent India, the portion of international tourists visiting India has not been more than 0.4%. It is claimed to have risen to some 0.45% in 2004 (GOI 2004). Given the rise of international tourists in the world.

The increase in tourism arrivals was aided by the growing popularity of far-off and exotic destinations among Western tourists and recent advances in the general outlook and international image of India. The opening of its markets in the early 2000s and the recent years of high economic growth have profoundly changed its surface. In the past India was naturally associated with slums and poverty. Nowadays it is often portrayed as a rapidly emerging economic superpower. The rising economic significance and potential of tourism has gone hand in hand with a growing public interest in the sector. With the opening up of the Indian market, a lively competition between the states emerged in attracting investors in industry and other sectors. Along similar lines, states started competing for their share of international and domestic tourists. Particularly in the traditional tourist states there was an urge to develop tourism to its full potential. A notable example is Kerala, a relatively small state with a rich variety of natural tourist settings. The Kerala government took up a largely enabling role, supporting and promoting a great number of different tourist activities. In the year 2012, when the action plan was finally translated into a tourism policy. Tourism policy officially became a joint central-state government concern. The new policy itself, however, was designed by the central government. To a large extent, it concerns old wine in new bottles. It holds the kind of goals and expectations exemplary for the first policy. To start with, the policy document attempts to establish tourism's great contribution to national development and its role as an engine of growth. It suggests that tourism not only generates government revenue, foreign currency, but also provides an optimal use of India's scarce resources, sustainable development, high quality employment (especially to youngsters, women and disabled people), and finally, peace, understanding, national unity and stability (GOI, 2012: 8-9). The policy starts from the idea that tourism can be used as a development tool, e.g. that it can generate high quality, mass employment and prosperity among vulnerable groups in backward areas.

OBJECTIVES OF THE STUDY:

The following are the primary objective of the study.

1. To study the Consumer Behavior towards Tourism industry in India.
2. To study the factors influencing the Consumer Behavior towards Tourism.
3. To understand the role of Government initiations for the development of Tourism Industry.

RESEARCH METHODOLOGY:

A descriptive research design was adopted in order to conduct the study. This design was found the most suitable for understanding the factors influence the tourism in Indian market. To collect the data from the respondents a structured questionnaire was developed and used. A questionnaire was divided into two parts. The first part of the questionnaire consisted of 10 questions related to the demographic profile of the respondents. The second part of the questionnaire consisted of 24 statements that are used to understand about the consumer behavior. All these statements were measured with 5-point (Likert) scale, where strongly disagree to strongly agree. To carry out this research simple random sampling was used and the primary data were collected from the Telangana state. Data analysis starts with descriptive statistics to understand about frequencies, means, standard deviations of all the variables used in the study. Descriptive statistics were followed up with a factor analysis to understand the factors influence the respondents and their behavior toward tourism.

Hypothesis:

The following are the Null hypotheses of the present study.

1. There is no significant difference between demographic variable groups (Age, Annual family income, Educational qualification, Occupation, and Family Size) of respondents and their behavior towards Tourism.
2. Consumer behavior of Tourism is independent of consumers' awareness levels about the Tourism.

Population for the Study:

The target population for this research are people of the Telangana State, India. The main focus of research is to understand the Consumer behavior towards Tourism.

Sample Design:

An attempt was made in this research to arrive at a correct sample size so that it represents the population. Keeping in view the above facts, for this research, the sample size was taken as 200. The total questionnaires that were distributed were 200. 180 questionnaires were received back. Hence the basis for analysis was 180 respondents only.

Limitations Of The Study:

Despite all the care taken to conduct the research, the fowling limitations may be bound to be present in the study:

1. The period of the study is also restricted to three months,December 2015 to February 2016.
2. The size of the sample selected for the study constitutes only a small segment of the population. Hence, the findings may have the limitations pertaining to the size of the sample.
3. As the study is conducted in the Telangana, hence the study may have the limitation of generalizing the findings of the entire Indian market.

Data Analysis and Discussion:

To test the reliability of the set of items forming the scale a measure of constructing reliability (Cronbach's alpha) was computed. Cronbach's alpha is useful in measuring how well a set of variables or items measure a single, one-dimensional latent construct. The alpha coefficient was found to be 0.83 for present research instrument making the items measuring the attitude satisfactorily. An alpha value of 0.70 or above is considered to be acceptable for demonstrating internal consistency of the established scales (Cronbach's, 1951).

Table numbers from1 to 6 gives a demographical profile of the respondnets, general understanding towards 24 factors affecting the consumer behavior towards tourism under study. The response on these factors were collected from consumers on 5 -point Likert scale from 5 for strongly agree, 4 for agree, 3 for neither agree nor disagree, 2 for disagree to 1 for strongly disagree continuum. The mean values of most of the variables are more than 3, which gives the inference that consumers admit that the above said factors certainly affect their decision regarding the tourism.

To test the appropriateness of factor analysis technique the correlation between the variables is checked and Kaiser – Meyer - Olkin (KMO) measure of sampling adequacy statistic is also used for the same. The correlation matrix is a lower triangle matrix showing the simple correlation, r , between all possible pairs of variables included in the analysis. Being an identity matrix of population correlation matrix, all the diagonal terms are 1, and all off - diagonal terms are 0. The test statistics for S phercity is based on a Chi-square transformation of the determinants of the correlation matrix. A large value of the test statistic favours the rejection of the null hypothesis. Further, KMO compares the magnitude of the observed correlation coefficients to the magnitude of partial correlation coefficients. Small the value of KMO statistic indicate that the correlation between pairs of variables cannot be explained by other variables and the factor analysis may not be appropriate. Generally, a value greater than 0.5 is desirable for the test statistic. Here, it can be seen from Table 8 that the null hypothesis, that the population correlation matrix is an identity matrix, is rejected by Bart lett's Test of Sphericity. The approximate Chi-square statistic value is 2612.664 with 630 degree of freedom, which is significant at 0.05 level. The value of KMO statistic (.774) is also large (>0.5). Thus, factor analysis may be considered as appropriate techniques for analyzing the correlation matrix. The matrix constructed from the data obtained in form of the responses of rural buyers" overall opinion about the factors influence their behavior towards tourism. Once, it has been determined that factor analysis is suitable for analyzing the data, an appropriate method must be selected. The approach used to drive the weight or factors score coefficients. The two basic approaches are principal component analysis (PCA) and Common factor analysis (CFA). In PCA, the total variance in data is considered. The diagonal of the correlation matrix consists of unities and full variance is brought into the factor analysis. PCA is recommended when the primary concern is to deter mine the minimum number of factors that will account for maximum variance in the data for use in subsequent multivariate analysis. Further, PCA may be carried out if the correlation for the variables contains at least two correlations of 0.30 or greater. The correlation matrix of 24 variables which were developed to know the overall opinion of consumers towards factors influence their behavior towards tourism under study and it is found there are high correlations between the variables; therefore, it may be stated that factor analysis is appropriate. Further, it is found that 20 variables have the correlations above 0.30. Therefore, PCA method is used for extraction of variable for the component or factor concerned. The extraction communalities for each variable which is the amount of variance a variable shares with all the other variables being considered. It is also the proportion of variance explained by the common factors. In the Table 9, five factors have been extracted on the basis of prior knowle dge to describe the relationships among variable in a best way. Finally, from the cumulative percentage of variance a ccounted for, it can be seen that five account for 50.835 per cent of the variance, contributed by first component is 17.480 followed by second (9.914 per cent), third (8.257 per cent), fourth (7.740 per cent) and fifth (7.444 per cent) of total variance. The rotation was made by the most commonly used method i. e. varimax procedure. This is an orthogonal method of rotation that minimizes the number of variables with high loadings on a factor, thereby enhancing the interpretability of the factors. Interpret ation is facilitated by identifying the variables that have large loadings on the same factor. That factor can be interpreted in terms of the variables that load high on it. For the purpose of interpretation, each factor was composed of variables that load ed 0.30 or higher on that factor. In case, where variables loaded 0.30 or above on two factors, each variable was assigned to the factor where it had the highest loading. The maximum of each row (ignoring the sign) indicates the respective variable belongs to the respective component. After interpretation of the factors, Table 10 enlists the rating of factors on the basis of their importance and also depicts the results through ANOVA. It depicts that factor 2 is at the top by which consumers perceived that TV commercials (=4.20) followed by print advertisements (=4.18) and word of mouth (=.95) plays a significant role for taking the decision to purchase these tourism products. Further, they consider their own experience, display at shop, incentive schemes for the purchase of these services. On the other hand, consumers perceived that social factors are no so strong that those may influence their behavior (factor 5, =3.084). As far as F-statistics (ANOVA) is concerned, Table 10 shows that consumers significantly differ education, gender, income and occupation -wise towards cultural and psychological factors; age, education marital, income, occupation.marital status wise they differ towards demographic factors which may influence their behavior towards tourism at 0.01 significance level with respective degrees of freedom of demographic characteristics of the consumers by rejecting null hypothesis.

Concluding Remarks

In total, it is found that consumers perceived that TV commercials followed by print advertisements and word of mouth plays a significant role in their behavior toeards tourism. Further, they consider their own experience, display at shops; incentive schemes for the purchase of these services. On the other hand, consumers perceived that social factors are no so strong that those may influence their beahvior to purchase these services. Therefore, it may be recommended that the service providers or/and governments should frame ethical advertising strategyies keeping in mind that consumers are fond of electronic and print media advertisements.

Exhibits

TABLE 1: AGE OF THE RESPONDENTS

S.No.	Age of the Respondents	Number of Respondents	Percentage
1	Below 30	52	29
2	31-40	63	35
3	41-50	45	25
4	Above 50	20	11
5	Total	180	100

TABLE 2: GENDER OF THE RESPONDENTS

S.No.	Gender of the Respondents	Number of Respondents	Percentage
1	Male	135	75
2	Female	45	25
3	Total	180	100

TABLE 3: MARITAL STATUS OF THE RESPONDENTS

S.No.	Marital status of the Respondents	Number of Respondents	Percentage
1	Married	147	82
2	Unmarried	33	18
3	Total	180	100

TABLE 4: LEVEL OF EDUCATION OF THE RESPONDENTS

S.No.	Level of education of the Respondents	Number of Respondents	Percentage
1	Primary	18	10
2	Higher secondary	75	42
3	Vocational	24	13
4	Higher education	63	35
5	Total	180	100

TABLE 5: MODE OF EMPLOYMENT OF THE RESPONDENTS

S.No.	Mode of employment of the Respondents	Number of Respondents	Percentage
1	Employed	87	48
2	Self - employed	46	26
3	Un - employed	09	05
4	Others	38	21
5	Total	180	100

TABLE 6: LEVEL OF HOUSE HOLD INCOME OF THE RESPONDENTS

S.No.	Level of household income of the Respondents	Number of Respondents	Percentage
1	Less than Rs.20000	63	35
2	Rs.20000 - 30000	38	21
3	30000 - 40000	34	19
4	40000 and above	45	25
5	Total	180	100

TABLE 7: KMO AND BARTLETT'S TEST

Kaiser – Meyer - Olkin Measure of Sampling Adequacy		.774
Bartlett's Test of Sphericity	Approx. Chi-Square	2612.664
	Df	114
	Sig.	.000

TABLE 8: TOTAL VARIANCE EXPLAINED

Comp-onet	Initial Eigenvalues			Extraction Sum of Squared Loadings			Rotation Sum of Squared Loadings		
	Total	% of Variance	Cumul-ative %	Total	% of Variance	Cumul-ative %	Total	% of Variance	Cumul-ative %
1	6.293	17.480	17.480	6.293	17.480	17.480	4.453	12.368	12.368
2	3.569	9.914	27.395	3.569	9.914	27.395	4.094	11.371	23.739
3	2.972	8.257	35.651	2.972	8.257	35.651	3.652	10.145	33.885
4	2.786	7.740	43.391	2.786	7.740	43.391	3.120	8.666	42.550
5	2.680	7.444	50.835	2.680	7.444	50.835	2.982	8.284	50.835

Extraction Method: Principal Component Analysis

TABLE 9: FACTOR INFLUENCING THE CONSUMER BEHAVIOR TOWARDS TOURISM

Factor	Factor interpretation (% of variance explained)	Loading	Variables included in the factor
F1	Cultural and Psychological Factors (17.480)	.734	Attitude and behaviour
		710	Personality and Lifestyle
		.688	Need and Motives
		.658	Quantity of the product
		.610	To follow the Celebrity
		.488	Price
		.440	Culture
F2	Social Factors (9.914)	.523	Reference Group
		.474	Brand Loyalty
		.417	Occasion
F3	Psychographic and Promotional Factors (8.257)	.757	Salespeople
		.737	Incentive schemes
		.707	Word of mouth
		.657	Own experience
		.533	T.V. commercials
		.331	Print advertisements
F4	Demographic Factors (7.740)	.793	Locality
		.785	Family
		.672	Age
		.647	Income
		.404	Social class/status
F5	Self-concepts (7.444)	.776	Labelling
		.698	Quality
		.658	Packaging

Source: Primary (Data processed through SPSS).

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AN OVERVIEW ON GREEN MARKETING

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ABSTRACT

In today's business world environmental issues plays an important role in marketing. All most all the governments around the world have concerned about green marketing activities that they have attempted to regulate them. There has been little attempt to academically examine environmental or green marketing. It introduces the terms and concepts of green marketing, briefly discuss why going green is important and also examine some of the reason that organizations are adopting a green marketing philosophy. It also focuses some of the problems with green marketing. It also discusses the keys to green marketing and how firma are using green marketing.

Key words: Green Marketing, Environmental Marketing

INTRODUCTION

Green marketing refers o the process of developing and marketing of products and services to satisfy the requirements of customers, which at the same time do not have a detrimental impact on the physical environment or to improve its quality. It incorporates a broad range of activities like eco-products design, development product modification, change in the production process, packaging, modifying advertising, etc., aimed at reducing negative impact of products and their consumption and disposal on the environment. As consumers are more concerned about the environment, the demand for eco-friendly products is increasing and it exerts severe external pressure going on green. Globally the need for green marketing has increased and companies are striving to reduce the negative impact of products and services on the environment.

MEANING

Green marketing refers to the process of selling products and/or services based on their environmental benefits. Such a product or service may be environmentally friendly in it or produced and packaged in an environmentally friendly way. The obvious assumption of green marketing is that potential consumers will view a product or service's "greenness" as a benefit and base their buying decision accordingly. The not so obvious assumption of green marketing is that consumers will be willing to pay more for green products than they would for a less-green comparable alternative product an assumption that, in my opinion, has not been proven conclusively.

While green marketing is growing greatly as increasing numbers of consumers are willing to back their environmental consciousnesses with their dollars, it can be dangerous. The public tends to be skeptical of green claims to begin with and companies can seriously damage their brands and their sales if a green claim is discovered to be false or contradicted by a company's other products or practices. Presenting a product or service as green when it's not is called green washing. According to the American Marketing Association, green marketing is the marketing of products that are presumed to be environmentally safe. Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Yet defining green marketing is not a simple task where several meanings intersect and contradict each other; an example of this will be the existence of varying social, environmental and retail definitions attached to this term. Other similar terms used are Environmental Marketing and Ecological Marketing.

WHY GREEN MARKETING

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

Green Marketing in India:

Corporate across India are hitching themselves to the green bandwagon. On account of the green revolution in India, people are consuming large quantity of industrial and urban manufactured products. Green businesses are increasing competition in the green sector and it drives business to new heights of innovation. Keeping track of green business trends is a great way to ensure that your business stays fresh, flexible and creative in the face of new challenges and opportunities. As per the Global Image Power green Brands Survey (2011), India is the only country to choose deforestation and air pollution as the most important green issue. India is the only country in which more consumers say it should be developing countries that focus on green innovation versus developed countries. The survey shows that concern about the environment by the consumers is translating into a willingness to pay premium for green products. Consumers in India arc trusting green advertising compared to other countries and advertising about green products help them in making choices.

OBJECTIVES

1. To study the importance, benefits and challenges of green marketing

2. To study the difference between green marketing and traditional marketing

The green marketing mix

A model green marketing mix contains four “P’s”:

Product: A producer should offer ecological products which not only must not contaminate the environment but should protect it and even liquidate existing environmental damages.

Price: Prices for such products may be a little higher than conventional alternatives. But target groups like for example LOHAS are willing to pay extra for green products.

Place: A distribution logistics is of crucial importance; main focus is on ecological packaging. Marketing local and seasonal products e.g. vegetables from regional farms is more easy to be marketed “green” than products imported.

Promotion: A communication with the market should put stress on environmental aspects, for example that the company possesses a CP certificate or is ISO 14000 certified. This may be publicized to improve a firm’s image. Furthermore, the fact that a company spends expenditures on environmental protection should be advertised. Third, sponsoring the natural environment is also very important. And last but not least, ecological products will probably require special sales promotions

IMPORTANCE OF GREEN MARKETING:

Green marketing affects positively the health of people and the ecological environment. People are aware of pure products and pure methods of producing, using, and disposing the products. It encourages integrated efforts for purity in production and consumption as well.

Benefits of Green Marketing

Companies that develop new and improved products and services with environment inputs in mind give themselves access to new markets, increase their profit sustainability, and enjoy a competitive advantage over the companies which are not concerned for the environment.

CHALLENGES AHEAD

1. **Know your customer:**

   Make sure that the consumer is aware of and concerned about the issues that your product attempts to address, (Whirlpool) learned the hard way that Consumers wouldn't pay a premium for a CFC-free refrigerator because consumers did not know what CFC is.

2. **Educating your customer:**

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

3. **Being Genuine& Transparent:**

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

4. **Reassure the buyer**

   Consumers must be made to believe that the product performs the job it's supposed to do- they won't forego product quality in the name of the environment.

5. **Consider Your pricing:**

   If you're charging a premium for your product-and many environmentally preferable products cost more due to economies of scale and use of higher quality ingredients-make sure those Consumers can afford the premium and feel it's worth it.

6. **Giving your customers an opportunity to participate**

   It means personalizing the benefits of your environmentally friendly actions, normally through letting the customer take part in positive environmental action.

7. **Leading brands should recognize that consumer expectations have changed**

   It is not enough for a company to green its products; consumers expect the products that they purchase pocket friendly and also to help reduce the environmental impact in their own lives too.

Difference between Green Marketing and Traditional Marketing

Green Marketing	Traditional Marketing
Starts with the identification of the needs of their target customers.	Starts with the identification of needs of their target customer.
Environmental needs are at the centre point for decision making.	Customers need is at centre point for decision making.
Social cost benefit approach with long term orientation and giving importance to environment.	Self centered approach with short term orientation and without giving the attention to environment.
Produce products according to the needs and wants of customers	Produce products according to the needs and wants of customers.
The aim is to include environmental issues in marketing efforts.	With an aim of achieving satisfied customer.
Practicing is good for mankind as well as environment.	Practicing is good for company as well as customers.
Remain with satisfied eco-friendly customers.	Remain with satisfied customers.
Focus on ‘products and services’.	Focus on tangible goods.
Development of product by analyzing ecological compatibility of (the product, its raw material packaging and reuses etc.	Development of product as per their needs, delivering and providing the after sales services.
Proactive approach to waste management.	
Total quality environmental management.	Total quality management.
Use of strategic alliances to accomplish sustainable goals.	Use of strategic alliances to accomplish traditional goals

CONCLUSION

Green marketing should not neglect the economic aspect of marketing. Green marketing is based on the premise that businesses have a responsibility to satisfy human needs and desires while preserving the integrity of the natural environment. That this latter concern has been ignored throughout most of recorded human history does not mean it will be unimportant in the future. Indeed, there are significant indications that environmental issues will grow in importance over the coming years and will require imaginative and innovative redesign and reengineering of existing marketing efforts on the part of many businesses. Green marketing is still in its infancy and a lot of research is to be done on green marketing to fully explore its potential.

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SUBSCRIPTION OF RIIS - A STUDY ON IMPACT OF SELECT VARIABLES

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ABSTRACT

Two most imperative reforms the Indian IPO market has seen are Grading of IPOs by Credit Rating Agencies (CRAs) and introduction of issues through Book Building Process for efficient price discovery. SEBI is the only Capital Market Regulator in the world which made IPO Grading mandatory with effect from May 1, 2007 followed by which all the issuances were graded on the scale of 1 to 5 in which 1 indicates Poor Fundamentals and 5 indicate Strong Fundamentals. IPO Grading would help investors especially Retail Individual Investors (RIIs) who will not be able to take informed decisions by assessing IPOs objectively as the Information Asymmetry and Behavioral biases prevalent in the markets. In the light of SEBI scuffled the idea of mandatory IPO Grading and made it voluntary, this paper attempts to find the short- run and long- run performance of different grade IPOs to see whether higher grading has any impact on generating improved returns to the investors by analyzing the data using One Factor ANOVA. The analysis is made on the issues, which were issued under Book Building and listed on National Stock Exchange during January 1, 2008 to June 2013. Multiple linear regression will be run taking number of times retail investor subscription as dependent variable and issue size, grading, Qualified Institutional Buyers participation as independent variables to know whether grading is significant for decisions of retail investors or it is due to issue size or QIBs participation.

Key Words: SEBI, IPO Grading, Book Building, Regression

INTRODUCTION:

Indian Economy is opened up and structural reforms were initiated in the year 1991. Deregulation of financial sector has given burgeoning growth to Initial Public Offering (IPO) markets. Indian Financial Markets had perceived important mechanisms to bring in the best practices, which makes the Indian markets to be on par with the developed markets. The two historical reforms in the Indian IPO markets are introduction of IPO grading and issue through book building process. This would not have been a reality in India if Securities and Exchange Board of India (SEBI) is not set up under the SEBI Act, 1992. With its strong commitment to meet the set objectives, SEBI initiated so many reforms. SEBI is the only capital market regulator in the world which has made IPO grading mandatory with effect from May 1, 2007, with the expectation that the external certification from Credit Rating Agencies (CRAs) would minimize the information asymmetry prevalent in the markets. The participation from domestic retail and institutional investors is been increasing in the equity markets. Investment decisions are always come with lot of complexity, as they require analysis of lot of critical documents about the company, industry to which the company belongs to and macro-economic factors. The grading has to compress all the important information into an 'easy-to-use' symbol. The grading is to help retail investors in taking objecting judgment especially issues from small and unknown firms. However, not to much surprise SEBI scrapped the idea of mandatory IPO grading and made it voluntary. There are many supporters who welcomed this move as (i) the ratings may evaluate the company, but they do not comment on the pricing, so the investors were never sure about pricing, which is a key part in the investment decision (ii) grading a product, as equity is always a difficult issue as the prices keep on fluctuates. In this paper attempt is to find the short- run and long- run performance of different grade IPOs to see whether higher grading has any impact on generating improved returns to the investors by analyzing the data using One Factor ANOVA. Run a Multiple Linear Regression taking number of times retail investor subscription as dependent variable and natural log of issue size, grading, Qualified Institutional Buyers (QIBs) participation as independent variables to know whether grading is significant for decisions of retail investors or it is due to issue size or QIBs participation This paper is organized as follows. Section II explains the characteristics of Book Building Process and IPO grading; Section III reviews existing literature; Section IV defines research objectives and hypothesis; Section V describes the sources of data and research methodology; Section VI exemplifies the results and explanations; and Section VII determines the findings, conclusions and implications for further research.

CHARACTERISTICS OF BOOK BUILDING MECHANISM AND IPO GRADING

Characteristics of book building mechanism:

Issues made by an Indian company can be classified as Public, Rights, Bonus and Private Placement. Public issue is the offer of securities to new investors for becoming part of the shareholders' family of the issuer. The public issue can be done by either Initial Public Offering (IPO) or Further Public Offering (FPO). IPO is the fresh issue of securities or offer of existing securities for sale or both for the first time to the public by an unlisted company. The most important component of the entire IPO is arriving at the price. Fixation of pricing has undergone lot of changes and finally issue of shares through book building mechanism has much importance because of recommendations of The Malegam Committee Report in 1995. SEBI brought forward the guidelines of issue of shares through book building mechanism in 1998. SEBI defines “book building as a process undertaken by which demand for the securities proposed to be issued by a body corporate is elicited and built up and the price for such securities is assessed for the determination of the quantum of securities to be issued by means of a notice, circular, advertisement, document of information memoranda or offer document”. Book building is the process of price discovery. The issuer in consultation with Book Running Lead Manager (BRLM) discloses price band. The price band is a band of price with in which investors can bid. The spread between the floor and the cap of the price band shall not be more than 20%. The price band can be revised. If revised, the bidding period shall be extended for a further period of three days, subject to the total bidding period not exceeding thirteen days. The price band should be disclosed at least two working days prior to the opening of the issue. Once the bidding process is complete, based on the demand for securities a final ‘cut-off’ price is arrived. The basis of allotment is then finalized based on the cut-off price and allotment/refund is undertaken. Only the retail individual investors i.e. investors who are applying for securities worth up to Rs 2,00,000 have the option of ticking the cut-off option. It indicates their willingness to subscribe to shares at any price discovered within the price band by which they will overcome the problem of non-allotment of shares, as there is a chance of quoting a price, which is lesser than the cut-off price.

Characteristics of IPO grading:

IPO grading has been introduced as an endeavor to make additional information available for the investors in order to facilitate assessment of equity issues in a more objective manner. The grade, which is assigned on a five-point scale with a higher score indicating stronger fundamentals and vice versa represents a relative assessment of the fundamentals of the issue in relation to the other listed equity securities in India. IPO grade 1, 2, 3, 4 and 5 represents poor, below average, average, above average and strong fundamentals respectively. IPO grading is assigned by CRAs that are registered with SEBI for all IPOs of equity shares or any other security that may be converted into or exchanged with equity shares later. The firm engrossed in raising capital through IPO has to bear the expenses and the issuer cannot reject the grade assigned by CRA irrespective of whether the grade is acceptable or not to the issuer. The prospectus must contain grade/s given to the issue by all CRAs approached by the issuer. IPO grading in no way delay the issue process as issuance of observation by SEBI and the grading process, performed independently. IPO grading is an ‘easy-to-use’ symbol, which is obtained by proper analysis of the business prospects and competitive position comprising of industry and company prospects, financial position, management quality, corporate governance practices, compliance and litigation history and risks and prospects of new projects. SEBI as a market watch dog do not play any role in the assessment made by CRA, observations on the IPO document are entirely independent of the IPO grading process and do not pass any judgment on the quality of the issuer company based on grading. An IPO grade is not a suggestion or recommendation as to whether one should subscribe to the IPO or not. The most important factor an IPO grading fails to take into is the share price. Since IPO grading does not consider the issue price, the investor needs to make an independent judgment regarding the price at which to subscribe to the shares.

Review of Literature

Though there is enormous amount of literature available on IPO pricing, the extent of literature pertaining to grading of IPOs is very limited.

Winner's Curse Hypothesis: Rock's (1986) asymmetric information theory (also called winner curse hypothesis) is most high-ranking model that has been developed to explain the new issue anomaly. Rock's model is based on two key assumptions: two kinds of investors, those who are informed about the true value of the firm and those who are completely uninformed about the true value of the firm. Informed investors are having knowledge about the future prospects and will only attempt to buy when the issue is under-priced .Uninformed investors on the other hand, don't know about under-pricing and over pricing of issues, and therefore don't discriminate between issues. They suffer from a winner curse as uninformed investors earn negative initial return. They get all the shares they want of the poor issues and they get small fraction of good issues. Due to this adverse selection problem, the uninformed investors will exit the market unless IPOs are sufficiently under-priced on average to compensate them for their informational handicap.

Information Gathering Theory: Benvenistc and Spindt (1989) introduced the "Information gathering theory" and stated that underpricing is a means to induce informed investors to reveal private information about the demand for shares in the pre-selling phase. In the IPO market, lead managers consult clients before setting offer price in prospectus. Lead managers may deliberately underprice an IPO, to attract more and more clients. They gather demand information from their clients during the pre-selling period, which forms the basis for pricing the issue. So the merchant bankers play game with many of their large clients.

Signal Theory: Allen and Faulhaber (1989) said that underpriced new issues "Leave good taste in investors' mouths". Firms tend to signal their quality to investors by offering their shares at relatively lower values and subsequent adjusting for the loss in their seasoned offering.

Kam C. Chan and Yung Ling Lo in their article credit ratings and long-term IPO performance found that provision of credit ratings prior to IPO reduces information asymmetry and improves market efficiency. There is reduction in information risk and price discounts by the increase in disclosure through credit ratings. IPOs that have credit ratings are less underpriced and more positively perceived by outside investors than the IPOs not having credit rating. The market reactions for rated IPOs are immediate and more complete while the long-term performance is insignificant because of reduction in the information asymmetry. The findings of Heng (Hunter) An, and Kam C.Chan in Credit ratings and IPO pricing of the analysis of U.S. common share IPOs from 1986- 2004, suggests that rated IPOs underpriced significantly less than the unrated IPOs. Credit rating levels do not have a significant effect on IPO under pricing.

Mandatory IPO grading: Does it help pricing efficiency? By Joshy Jacob and Sobesh Kumar Agarwalla finds that both the institutional and retail demand for IPOs is apparently influenced by the grades. The demand from QIBs is weaker for the relatively low grade IPOs, compared to the high grade or ungraded IPOs. The demand from retail investors for both low and high grade IPOs appears to be negative relative to the ungraded IPOs. The weaker demand for the low grade IPOs, compared to the ungraded IPOs, tentatively suggests a guidance role for the IPO grade in the case of the retail investors. Information content of IPO grading by Deb. S. S. and Marisetty V. B (2010) found that IPO grade influences both the retail as well as institutional investor's subscription levels. Grading, transparent books and initial public offerings by Khurshed et al. (2011) establish that IPO grading is not significant in the retail demand. It is found that QIBs demand is weaker for low-grade issues.

RESEARCH OBJECTIVES AND HYPOTHESES

The paper attempts to find is there any significant variance in the returns generated by different grading IPOs in the short- run and long run. It is also aimed to know is it the grading, which makes the Retail Individual Investors (RIIs) subscription to the IPO or because of the other factors like issue size and number of times the issue, is subscribed by Qualified Institutional Buyers (QIBs).

1. To find out the relationship between RIIs subscriptions to the explanatory variables such as issue size, QIBs participation and grading.

H_{11}: Issue size is significant to influence RII subscription

H_{12}: QIB participation is significant to influence RII subscription

H_{13}: Grade 1 IPO is significant to influence RII subscription

H_{14}: Grade 2 IPO is significant to influence RII subscription

H_{15}: Grade 3 IPO is significant to influence RII subscription

H_{16}: Grade 4 IPO is significant to influence RII subscription

H_{17}: Grade 5 IPO is significant to influence RII subscription

SOURCES OF DATA AND RESEARCH METHODOLOGY:

Sample and data collection methods

The sample in this study comprises all the new equity issues offered through book building mechanism on the National Stock Exchange (NSE), one of the major stock exchanges in India. The sample is taken for the period January 1, 2008 to June 5, 2013. The reason for selecting this period is the IPO grading is made mandatory in Indian markets from May 1, 2007. After excluding the offer for sale issues, and follow on public offers, sample is left with 135 IPOs for short-run analysis and the sample size changes for long-run based on the period under consideration.

The multiple regression model

Regression analysis is largely concerned with estimating and/or predicting the mean value of the dependent variable based on the known or fixed values of the explanatory variable(s). The interest is to know whether grading is significant for decisions of retail investors or it is due to issue size or QIBs participation. For this purpose, we estimate the following regression model:

$$RII = \beta_1 + \beta_2 \text{ Ln (Issue size)} + \beta_3 \text{ QIB} + \beta_4 DG_1 + \beta_5 DG_2 + \beta_6 DG_3 + \beta_7 DG_4 + \beta_8 DG_5 + \mu_i$$

Category	Symbol used in model	Description	Variable/ Dummy
Retail Individual Investors	RII	Number of times subscribed by RIIs	Explained
Issue Size	Ln (ISSUE-SIZE)	Amount of money raised by a firm.	Explanatory
Qualified Institutional Buyers	QIB	Number of times subscribed by QIBs	Explanatory
Grade 1	DG1	Grade assigned to the issue.	Dummy
Grade 2	DG2	Grade assigned to the issue.	Dummy
Grade 3	DG3	Grade assigned to the issue.	Dummy
Grade 4	DG4	Grade assigned to the issue.	Dummy

Grade 5	DG5	Grade assigned to the issue.	Dummy

Table 1: Description of variables and their symbols used in regression model

Results and Explanations

Year / Grade	2008	2009	2010	2011	2012	2013*	Total No. of issues
Grade 1	2	2	1	3	1	0	9
Grade 2	7	3	18	10	0	0	38
Grade 3	14	8	19	10	3	2	56
Grade 4	4	2	15	2	4	0	27
Grade 5	0	0	2	1	1	1	5
	27	15	55	26	9	3	135

Table 2: Year wise and grade wise classification of number of issues

Year/ Grade	2008	2009	2010	2011	2012	2013	Total Issue Size	Average Issue Size
Grade 1	225.88	72.01	63.75	115.98	55.00	0.00	532.62	59.18
Grade 2	528.99	221.08	3539.34	738.67	0.00	0.00	5028.08	132.32
Grade 3	3432.40	11669.62	6645.15	2293.11	992.79	364.81	25397.88	453.53
Grade 4	13263.78	3055.21	11037.72	1128.25	4494.09	0.00	32979.05	1221.45
Grade 5	0.00	0.00	16436.95	1245.00	663.31	927.37	19272.63	3854.53
	17451.05	15017.92	37722.91	5521.01	6205.19	1292.17	83210.25	616.37

Table 3: Year wise and grade wise classification of issue size and average issue size (Rs Crore)

From the table 2 and 3, we can accomplish that more number of issues are in the grade 3 followed by grade 2, grade 4, grade 1 and grade 5. Year 2010 has seen more number of issues from all the graded issues except grade 1. Total issue size is very high for grade 4 followed by grade 3, 5, 2 and 1. Even though there are only five issues in grade 5 the issue size is almost four times to the grade 2 issues with a number of issues of 38. By comparing the average issue size, we can say that higher the grade, larger is the issue size. The average issue size of grade 5 is galloping Rs 3, 845.53 cr whereas for the grade 1 it is minimal with Rs 59.18 cr.

Grade	No. of Under Priced Issues	No. of Over Priced Issues
Grade 1	6	3
Grade 2	20	18
Grade 3	25	31
Grade 4	19	8
Grade 5	5	0

Table 4: Grade wise classification of under- priced and over- priced issues in the short- run

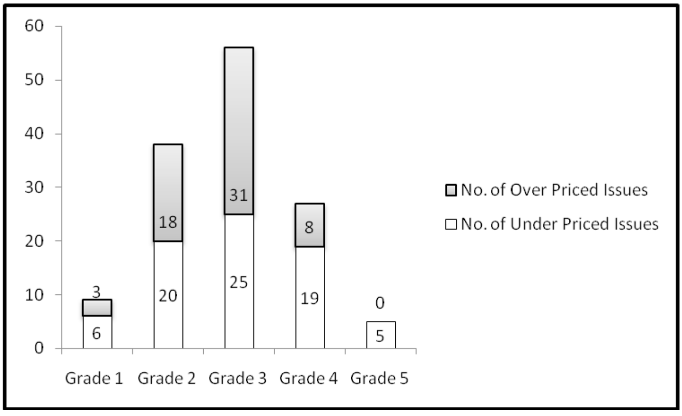

Fig 1: Grade wise classification of number of under and overpriced issues

Method: Least Squares
Date: 01/10/14
Time: 12:02
Sample: 1 135
Included observations: 135

Variable	Coefficient	Std. Error	t-Statistic	Prob.
Ln(ISSUE_SIZE)	-1.839573	0.484308	-3.79835	0.0002
QIB	0.196425	0.026298	7.46915	0.0000
DG1	9.94497	2.714473	3.663684	0.0004
DG2	11.78977	2.335582	5.047892	0.0000
DG3	12.07227	2.615629	4.615435	0.0000
DG4	12.62949	3.201423	3.944962	0.0001
DG5	22.87409	4.393579	5.206255	0.0000

R-squared	0.378151	Mean dependent var	5.01176
Adjusted R-squared	0.349002	S.D. dependent var	7.19931
S.E. of regression	5.808718	Akaike info criterion	6.40706
Sum squared resid	4318.874	Schwarz criterion	6.5577
Log likelihood	-425.4763	Hannan-Quinn criter.	6.46827
Durbin-Watson stat	1.882268		

Table No10: Results for Multiple Regression Model at 5% significance level (Z= 1.96)

Based on multiple linear regression result it was observed that R2 is 37.81%. It means variation in dependent variable (RII) can be explained by explanatory variables up to 37.81%. The rest of variation in RII can be explained by residuals. By observing the probability values we can deduce whether the explanatory variable is significant (p-value ≤ 0.05) or not significant (> 0.05) to explain the dependent variable. All the explanatory variables have significant relationship with the explained variable. There is significant relationship between RII subscription levels and Ln (issue size) and z value is -3.798 indicate issue size has negative effect on level of RIIs subscription. The remaining explanatory variables have positive effect on level of RIIs subscription.

Heteroskedasticity Test: Breusch-Pagan-Godfrey

F-statistic	2.03594	Prob. F(6,128)	0.0655
Obs*R-squared	11.7613	Prob. Chi-Square(6)	0.0675*
Scaled explained SS	87.741	Prob. Chi-Square(6)	0

Table No11: Result for residual analysis- heteroskedasticity

In a good regression model, the variance of residual should be homoscedastic. Breush-Pegan- Godfrey test is performed using E views to analyze the heteroskedasticity characteristics of the residual. For this we take, null hypothesis as

H0: Variance of residual is homoscedastic.

By observing the Prob. Chi-Square value we can take a decision either to accept or reject H0. As Prob. Chi-Square, value is 0.0675, which is greater than required 0.05 to cannot reject null hypothesis we can conclude that residual is homoscedastic, which is a good sign in the regression model.

Breusch-Godfrey Serial Correlation LM Test:

F-statistic	0.64089	Prob. F(2,126)	0.5285
Obs*R-squared	1.3595	Prob. Chi-Square(2)	0.5067*

Table No 12: Result for residual analysis- serial correlation.
In a good regression model, the variance of residuals is not supposed to be serially correlated. Breush- Godfrey serial correlation LM test is performed using E views to analyze the serial correlation characteristics of the residuals.

For this we take, null hypothesis as
H0: Residuals are not serially correlated
By observing the Prob. Chi-Square value we can take a decision either to accept or reject H0. As Prob. Chi-Square value is 0.5067 which is greater than required 0.05 to accept null hypothesis we can conclude that residuals are not serially correlated which is a good sign in the regression model.

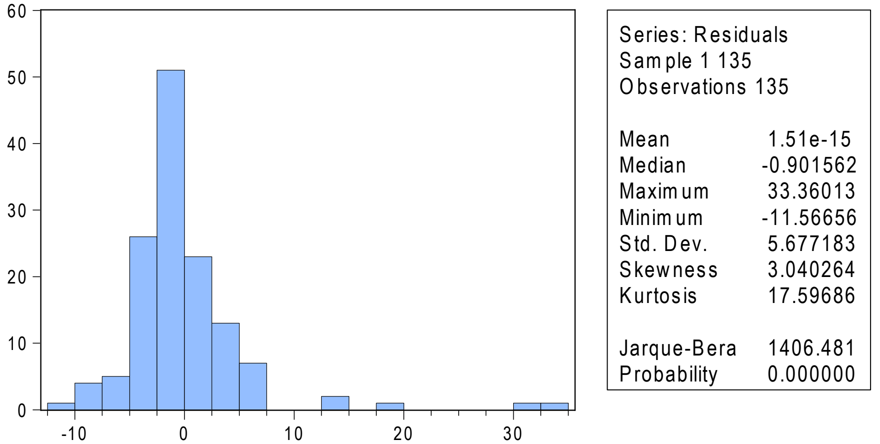

Fig No 2: Normality results by Jarque- Bera test
In a good regression model, the residual should be normally distributed. For normality of residual Jarque- Bera test is performed using E views to analyze the normality characteristics of the residuals. For this we take, null hypothesis as
H0: Residuals follow normal distribution. By observing the Probability value we can take a decision either to accept or reject H0. As Probability value 0.000 is less than required 0.05 we reject null hypothesis and accept alternative hypothesis by which we can conclude that residuals do not follow normal distribution, which is a bad sign in the regression model.

	RII	Ln(ISSUE SIZE)	QIB
RII	1		
Ln(ISSUE SIZE)	-0.003	1	
QIB	0.513	0.366	1

Table 13: Correlation matrix across all variables

From table 13, we can infer that there exists negative correlation (-0.002) between RIIs demand and issue size, this may be due to limited amount of funds available with the investors. The positive correlation between QIBs demand and issue size (0.3665) is may be due to high amount of investible funds availability and it may be the policy of QIBs to invest in the firms with high fundamentals. High-grade issues are the firms with good fundamentals and issue size is generally high for high-grade issues. Average issue size of grade 5 is Rs 3854.5 cr, Rs 1221.45 cr, Rs 453.53 cr, Rs 132.32 cr and Rs 59.18 cr for grades 4, 3, 2 and 1 respectively (from table 2). There is mutual influence of RIIs and QIBs.These finding are consistent with the findings of Joshy Jacob and Sobesh Kumar.

FINDINGS

From the linear multiple regression, we can observe that all the explanatory variables namely QIBs, issue size and different grades are individually significant for RIIs subscription levels.

CONCLUSIONS

Grading of IPOs by CRAs is not showing any importance in the returns generated by different graded IPOs for short- run and for a period of 3- months under consideration. However, IPO grading is showing significant variance in the returns generated for longer horizons. Subscription levels of RIIs is not only influenced by grading of IPO, but at the same time other important factors like issue size and participation levels of QIBs are also showing some influence.

Implications for further research

The present study examines the influence of certain explanatory variables on the levels of RIIs subscription. The study is confined only to initial public offerings that are issued through book building mechanism on National Stock Exchange in India. Further studies can examine the significant variance in the returns generated by different grading IPOs in other major exchanges and by considering fixed price issues.

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ROLE OF FDI IN INSURANCE SECTOR

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ABSTRACT:
The focus of this paper is on Foreign Direct Investment in Insurance sector and its significance. Indian Insurance Sector is one of the most promising emerging insurance sectors in the world. Insurance sector is a main component of GDP and is growing significantly every year. Insurance coverage including Health and Non-Health in India is still far below that of international standards. Still, nearly 80% of population in India is not under the ambit of insurance where the insurance sector in the country is growing at a rate of 15-20% year-on-year. Given the population of our country and uncovered population by insurance, there lies a great scope for the increased FDI cap in the insurance sector from 26 per cent to 49 per cent and brings in lot of advantages for the prosperity of the economy and its development as it increases the insurance penetration, capital inflow and increased capital formation, customers will have many options to choose from, compliments pension sector, creation of jobs, etc.

INTRODUCTION
The concept of foreign capital is not new in the Indian economy. It existed even in the pre-independence period, but assumed greater attention and significance after the initiation of the economic reforms in 1991 and it has crept into almost all layers of the economy. Foreign Direct Investment plays a very significant role in the economic development of a county as it brings in capital which is of non-debt in nature and it is an investment that is put into production capacity of the economy and whose returns depend on the performance of the investment. Foreign Direct Investment, in addition to bringing capital, brings in advanced technology, managerial skills and innovative functioning to the developing countries and above all it promotes international trade.

The insurance sector is one of the main components of any economy and for India as well. Capital formation in many developing or underdeveloped countries is low owing to low per-capita income and low savings or because of high propensity to consume. Insurance is a sector which promotes saving habits by way of paying premiums on a regular basis for the smooth continued life in sunset years or to continue life uninterruptedly because of any uncertain events, and channelize the savings into investments. Insurance is one of the very few sectors which assures a steady inflow of funds and whose payout is contingent in nature.

Meaning and History of Insurance in India:

Insurance, in simple words, can be defined as pooling of resources on a regular basis and redistributing the accumulated during the trying times. In technical terms, it can be defined as insurance is a contract where one party (insurer) undertakes the risks of the other party (insured) for consideration in return called premium. It is a process of making good for the loss suffered.

Roots of insurance dates back to 12th century; however this phenomenon entered India in the form of Life Insurance in the year 1818 and started with “The Oriental Life Insurance Company” and General Insurance was introduced by “Trinton Insurance Company Ltd” in 1850. Both were introduced by the Britishers and both were established in Kolkata.

The Indian Life Insurance Act, 1912 happened to be the first statutory measure to regulate the business and in 1928, the Indian Life Assurance Act was enacted to collect the statistical information about the insurance business in the county. By consolidating and amending the earlier legislation, The Insurance Act, 1938 was enacted with comprehensive provisions for the effective control and functioning of the insurers with the aim to protect the interest of the public. Government of India nationalized the insurance sector to check the unfair trade practices and unhealthy competition among the large number of players in the insurance business and as a result of the nationalization of insurance sector, Life Insurance Corporation (LIC) came into existence and LIC absorbed all the then existing 245 Indian and foreign players in the insurance business. LIC enjoyed the monopoly until late 90s when the insurance sector was re-opened for the private sector with the ceiling of 26% for Foreign Direct Investment (FDI) in the Insurance following the recommendations by the Malhotra Committee Report in 1999 which proposed reforms in the insurance sector. This has started the influx of foreign players into the insurance industry.

REGISTERED INSURERS IN INDIA			
(As on 31st March, 2015)			
Type of Business	Public Sector	Private Sector	Total
Life Insurance	1	23	24
Non-Life Insurance	6	22	28
Re-Insurance	1	0	1
Total	8	45	53

*List includes specialied insurance and standalone health insurance companies

India with more than 1.25 billion population requires insurance more than any other nation. Insurance industry in India is almost 200 year old, yet the statistics suggest insurance coverage in India is far behind the international standards in the segment.

As on 31st March 2015, there were 53 registered insurers in India, out of which 24 were in Life Insurance, 28 in Non-Life Insurance and 1 in re-insurance. This included specialized and standalone health insurance companies.

FDI in Insurance Sector:

LIC enjoyed monopoly until the Insurance sector was opened for the private participation. In 1999, by the recommendations of Malhotra Committee, life insurance was opened for private participation with the ceiling cap of 26% for Foreign Direct Investment (FDI). Industry and people in the country welcomed this FDI move, which eventually changed the face of the insurance industry in the country with a long way to go to catch up with the international standards. As a result, there are 24 Life Insurance companies, 28 General Insurance companies and one Re-insurance company with increased: assets under management, insurance penetration, insurance density, contribution to GDP, job creation, etc.

World over depends on foreign capital as FDI is of non-debt in nature and India is no exception. Privatization across the world has increased liquidity in the capital markets and investors are looking for the large industries. Privatization has enabled the MNCs raise debt and equity on the stock markets across the globe. Historically, the capital formation in the country has been low owing to low savings and low per capita income. Indian insurance industry needs more capital, and the need can be met by the foreign capital. Insurance sector also needs innovative and dynamic management to create awareness amongst the masses and explore the opportunities and tap the untapped market in the segment. With the doors opened for foreign capital, FDI showed its impact on the industry and statistics were quite improved.

The development, performance and potential of insurance sector are universally assessed with the parameters like insurance penetration and insurance density. Insurance penetration is measured as percentage of insurance premium underwritten in a given year to Gross Domestic Product (GDP) where as Insurance density is measured as the ratio premium (USD) underwritten in a given year to the total population. The figures were gloomy before the advent of FDI and FDI has changed the industry for the good by bringing capital, managerial skills, creating employment and played its part and contributed to GDP. Insurance in India has come across a full circle post reforms. It has increased by leaps and bounds and annually insurance industry kept growing at a healthy rate of 15-20% exhibiting greater scope for more players and substantial market to tap, thanks to FDI in this sector.

India's Insurance Penetration and Density						
Year	Life		Non Life		Industry	
	Density	Penetration	Density	Penetration	Density	Penetration
2001-02	9.1	2.15	2.4	0.56	11.5	2.71
2002-03	11.7	2.59	3.0	0.67	14.7	3.26
2003-04	12.9	2.26	3.5	0.62	16.4	2.88
2004-05	15.7	2.53	4.0	0.64	19.7	3.17
2005-06	18.3	2.53	4.4	0.61	22.7	3.14
2006-07	33.2	4.10	5.2	0.60	38.4	4.80
2007-08	40.4	4.00	6.2	0.60	46.6	4.70
2008-09	41.2	4.00	6.2	0.60	47.4	4.60
2009-10	47.7	4.60	6.7	0.60	54.3	5.20
2010-11	55.7	4.40	8.7	0.71	64.4	5.10
2011-12	49.0	3.40	10.0	0.70	59.0	4.10
2012-13	42.70	3.20	10.50	0.80	53.20	4.00
2013-14	41	3.1	11	0.80	52	3.9
2014-15	44	2.6	11	0.70	55	3.3

Source: IRDA, Density in USD & Penetration in %. Year is Calendar year.
Table I

World's Insurance Penetration and Density						
Year	Life		Non Life		Industry	
	Density	Penetration	Density	Penetration	Density	Penetration
2001-02	235.00	4.68	158.30	3.15	393.30	7.83
2002-03	247.30	4.76	175.6	3.38	422.9	8.14
2003-04	267.10	4.59	202.5	3.47	469.6	8.06
2004-05	291.50	4.55	220.0	3.44	511.50	7.99
2005-06	299.50	4.34	219.0	3.18	518.5	7.52
2006-07	330.60	4.50	224.2	3.00	554.8	7.50
2007-08	358.10	4.40	249.6	3.10	607.70	7.50
2008-09	369.70	4.10	264.2	2.90	633.9	7.10
2009-10	341.20	4.00	253.9	3.00	595.1	7.00

2010-11	364.30	4.00	263.0	2.90	627.30	6.90
2011-12	378.00	3.8	283.00	2.80	661.00	6.60
2012-13	372.60	3.7	283.10	2.80	655.70	6.50
2013-14	366	3.5	285	2.80	652	6.30
2014-15	368	3.4	294	2.70	662	6.20

Source: IRDA, Density in USD & Penetration in %. Year is Calendar year.
Table II

Insurance penetration and insurance density in the country were very low until the advent of FDI in the life insurance segment. Insurance penetration in the FY 2001-02 stood 2.71% (Life -2.15% and non-life -0.56) and in FY 2014-15 it increased to 3.3% (Life- 2.6% and non-life – 0.70%) and insurance density in the year 2001 (FY2001-02) stood at 11.5 USD (Life -9.1 and non-life -2.4) and in FY 2014-15 it increased to 55 USD (life- 44 USD and non-life – 11 USD). Insurance penetration has increased, insurance density has increased, jobs were created, a level of awareness about insurance got created, customer friendly insurance products arrived, contribution to GDP has increased, trade has increased, etc. Definitely, FDI in insurance sector has turned out to be boon for the economy and the country.

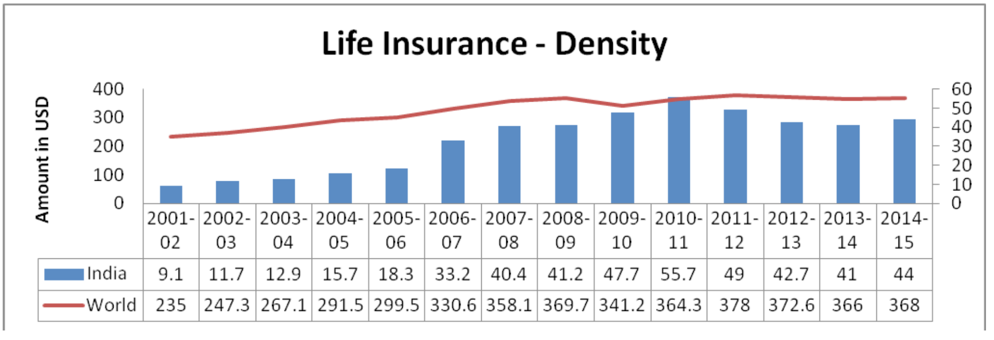


Fig I

Fig I shows Life insurance density has consistently shown increase in the last one and half decades with slight falls in the period 2011-12 to 2013-14 and again showed increase in 2014-15.

Fig II gives glimpse of Non-life insurance density, it has continuously clocked growth since 2001-02. It was 2.4 per cent in 2001-02 increased to 8.7 per cent in 2010-11 and it stands at 11 per cent at the end of the 2014-15. This shows the impact of reforms in the insurance industry and Indian insurance industry is miles away from the catching the international standards.

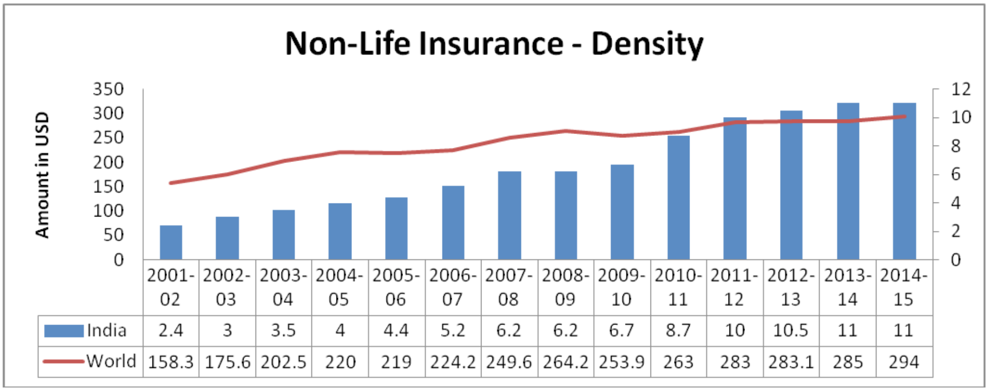


Fig II

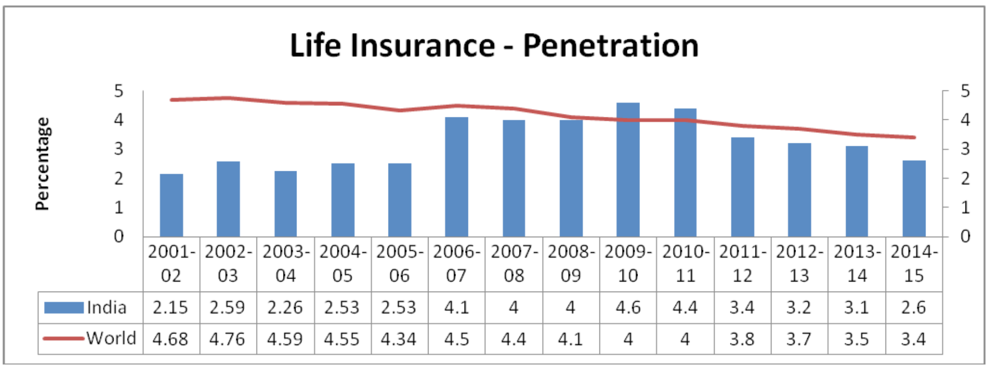


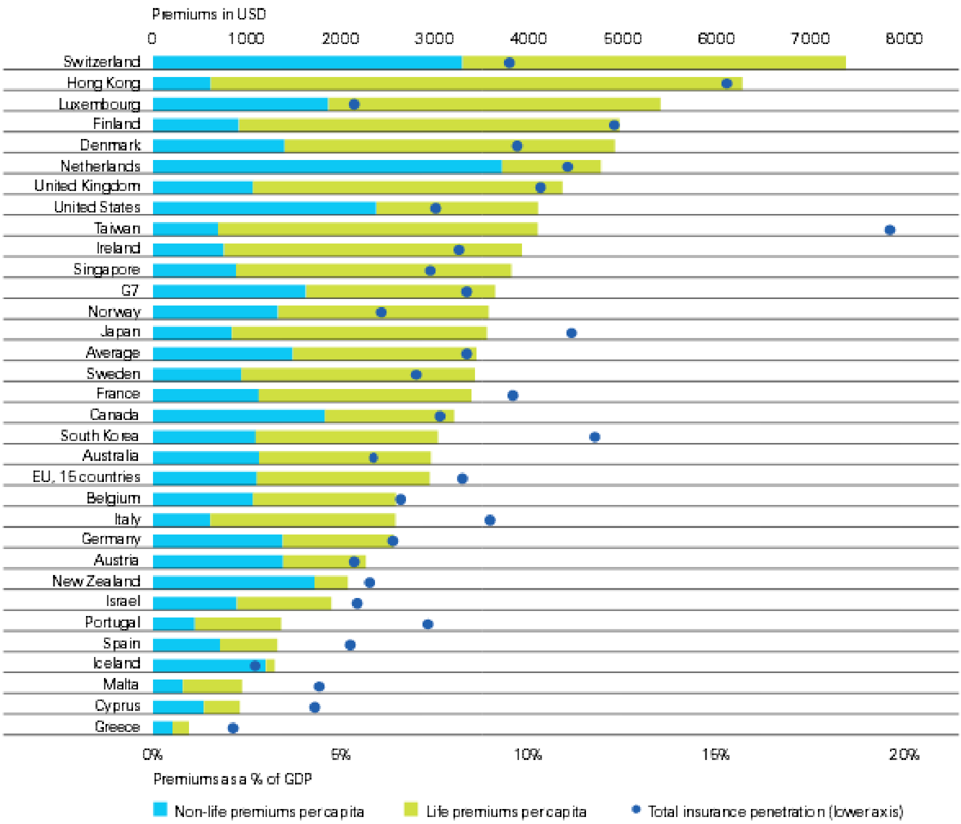
Fig IV

Fig IV gives the picture of non-life insurance penetration scenario of India and the world's. It can be seen from the above that India's non-life penetration is far behind than the worlds. In 2001-02, statistics of India's were at 0.56 per cent compared to the world's with 3.15 per cent and in 2014-15, India's non-life penetration was 0.7 per cent compared to the world's non-life penetration of 2.7 per cent.

Average Per Capita Spending on Insurance in Advance and Emerging Markets in 2015:

Insurance density and penetration of advance markets in 2015:

In 2015, advance markets' per capita spending on insurance stood at $3400. Of this per capita spending on life insurance was $1954 and $1486 was on non-life insurance. Switzerland topped the list of highest per capita spending on insurance in advance markets followed by Hong Kong and Luxemburg.

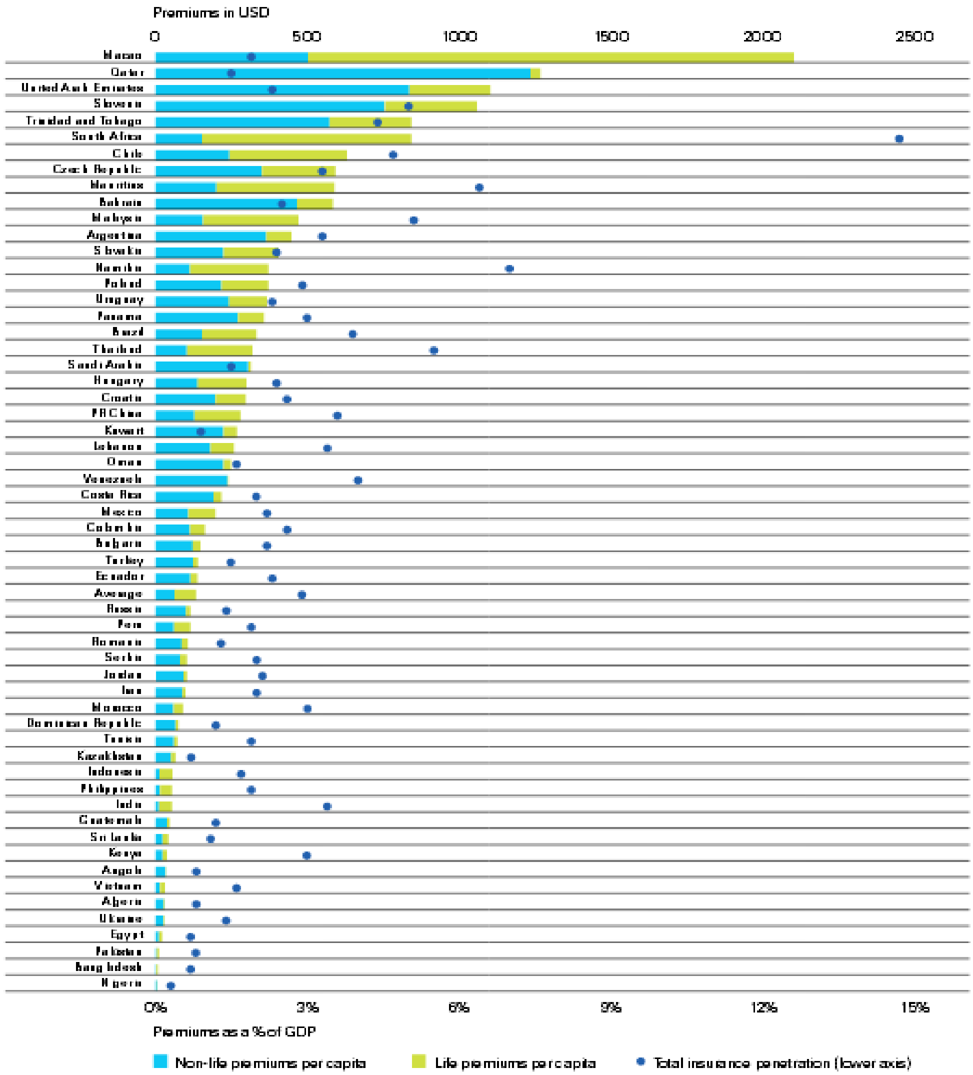


Source: Swiss Re, Sigma,2015

Fig V

Insurance density and penetration of emerging markets in 2015:

In 2015, emerging markets witnessed almost 10% growth in total insurance premium written and it also clocked 1.2% growth in the emerging markets share to the global share, however, this can be partly attributed to the exchange rate weaknesses. Life insurance premiums grew by 12% and non-life premiums grew by 7.8%.



In emerging markets, it is Macao that topped the list highest insurance penetration followed by Qatar and United Arab Emirates. India languishes in the bottom half of the list which shows there is lot to take forward the insurance in the country.

CONCLUSION:

Insurance industry still has got substantial market to be tapped and there is long way to go to see saturation in the industry. The world's average insurance penetration and density stand at 6.2 (percent) and 662 (USD) respectively whereas India's insurance penetration and density hovering around 6.2 which proves Indian Insurance industry has a long way to go to reach the international standards. The proposed and approved increase from the present 26% to 49% of FDI through automatic route to attract more foreign capital can further fill the vacuum in the industry as the increased FDI can usher in foreign capital of Rs 40,000 crore to Rs 60,000 crore, which can be a big boost to the capital starved sector in the country. This can complement the Pension sector raise FDI limit to 49% as well, as the pension sector is directly linked to the insurance sector. The increased capital inflow can be a huge relief to the existing private players in the segment which are suffering losses sporadically. The increased FDI can bring in some healthy competition among the players creating level playing field for the players in the insurance sector.

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A STUDY ON THE INDUSTRY AND INSTITUTES INTERACTION IN MANAGEMENT EDUCATION - THE 3I'S MODEL

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ABSTRACT

There is good growth of service sector and other sectors with galore of employment opportunities. This is certain to continue but India faces the challenge of generating an appropriate response to retain its existing advantage. The real challenge therefore, is to expand capacities in education to keep ahead of the curve of rising domestic and global demand. An enabling academic and industry setting is a key factor determining the fate of our nation in the wake of the knowledge sector boom. The three key players in this linkage are Institutes, Industry and the Government, where each of them has an important role to play. Collaboration between these players is essential for the sustained development of economy. Institutes can meet the required demand of the industries by providing them with the manpower equipped with the skills required by a particular industry, thus helping them to save their funds in training the novice. This can be done by implementing sectorial specialization in higher education. The paper deliberates on strengthening the interaction between higher education / industry / professional sector. The paper suggests India to maintain its economic growth in the global marketplace fueled by the knowledge economy, the country needs to involve sectoral education, which could make students equipped with the through knowledge of sector and various techniques which can act as a catalyst for the growth of higher education in India with the importance of industry-institute's interaction.

Keywords: Industry, Institutes, Interaction, linkages, Sectoral specialization.

NEED OF THE STUDY

For expanding the skills of the students acquiring higher education, industry and institutes should not be in isolation. As institutes are major source of providing skilled work force for the need of the industries and industries are the platform which acts as destination for the students to put their learning and ability into action. Institutions should provide students with the opportunity to have interaction with industry by using various techniques which will give them practical exposure to the industry practices and also benefiting the industries by saving on the training of their workforce. To meet the growth of service sector, sectoral specialization in the management education (universities) would make the student closely fit into the needs of the industry by giving them in depth understanding of the sectors, such that the young workforce is utilized efficiently. The curriculum being taught at most of the educational institutes and the skill-set required by industry do not match, and there exists a gap between what is available and what is required. The students remain unaware of employer expectations and industry needs.

OBJECTIVES OF THE STUDY

1. To analyze the need of industry institutes interaction in management education.
2. To focus on various techniques which can be introduced for Industry Institutes Interaction.
3. To analyse sectorial specialization in management education to fulfill the needs of .

RESEARCH STUDY:

Sampling method: In this study, simple random sampling method is used to select the test sample.

Sampling unit: In this research work students pursuing management course from state universities formed the sampling unit.

Sample size: The sample must reflect the characteristics of the population. A sample size of 250 was considered as adequate for the population.

Data Collection: Primary data is the specific information collected by a questionnaire.

NEED OF INDUSTRY –INSTITUTES INTERACTION

Higher education serves several important functions in the society, the most important being production of knowledgeable individuals who will contribute to the society. However, many of the Indian universities do not fulfill this purpose. The demands of skilled manpower from the industry are not being met as majority of graduates lack the necessary skill sets required by the industry. However, despite efforts on the part of the Centre and State governments, university-industry interaction has not shown a significant improvement till date. But it still remains marginal and largely confined to a few institutions such as the IIMs and few B-Schools in case of management education. A very small section of students pursuing their higher education get a chance to get into such institutes and maximum students pursue it from other state universities which do not provide such a platform for institute -industries interaction in their curriculum, and they do not get an opportunity to experience real time issues, as their university curriculum restricts their learning only to the prescribed syllabus. Nearly 3,00,000 postgraduates pass out every year , of which nearly 1,00,000 are management graduates added to the Indian workforce. However, of these only 25% of graduates are considered employable by the rapidly growing segments. This brings the attention towards the importance of 3I model to be made part of management education in India. A university-industry interaction is mutually benefitting as it provides industry an opportunity to grow its business by using the results of academic research. At the same time, university is in need of a partner that can take its discoveries/research findings to the market place.

KEY PLAYERS OF 3I MODEL

The key players in strengthening interaction between institutions, universities and industry are institutions, industry and government. Every player has its own role to play to make 3I model a success in India. Each of the player has to interact with each other and should not exist in isolation to provide the young workforce to the Indian market. Universities / Institutions major responsibility is to provide qualified manpower according to the requirements and needs of industry. Industry on the other hand needs to provide input about their needs and requirements. Industry should also be involved in curriculum development and policy making for higher education, engineering education and training. The government has the role of a facilitator in building and improving interaction between engineering / higher education and industry .

Figure 1: The relationship between the different players and areas of their interaction.

GOVERNMENT

Government Assistance Polices
University research for industry
Supported by government grants

Staff exchanges and placements

Institute to Industry
Industry to Institute

INDUSTRY

INSTITUTE

Universities / Institutions

A major responsibility of institutions is to produce trained manpower to meet the needs and expectation of industry / professional sector. The updating of curriculum needs to be a constant feature inline with the advancements and development in that particular management field.

The management education system should be demand driven market based system rather than supply driven system, A supply driven system (unfortunately still followed at some places) is one of the major causes of unemployment. The degrees and certification must be industry oriented and professionally recognized.

Fig.2. DEMAND DRIVEN SYSTEM

INSTITUTION INDUSTRY NEEDS **INDUSTRY**

PROFESSIONALLY SOUND GRADUATES

Industry

Industry need to play its effective role as they are the one to utilize the product (Graduates) of universities. Furthermore, both industry and universities take advantage of joint research programs / projects.

Industry should be provided representation on national education and training bodies, policy-making bodies of management institutions. Interaction between industries and universities is vital for the successful and sustainable development. Representatives from the industry are encouraged to have input into curriculum development through an advisory committee.

GOVERNMENT

In most of the countries of Asia and Pacific, major national decisions on education and training are made by the Government. The policies of the government should be such which ensure that the education and training system is demand driven and fulfill the changing needs of industry.

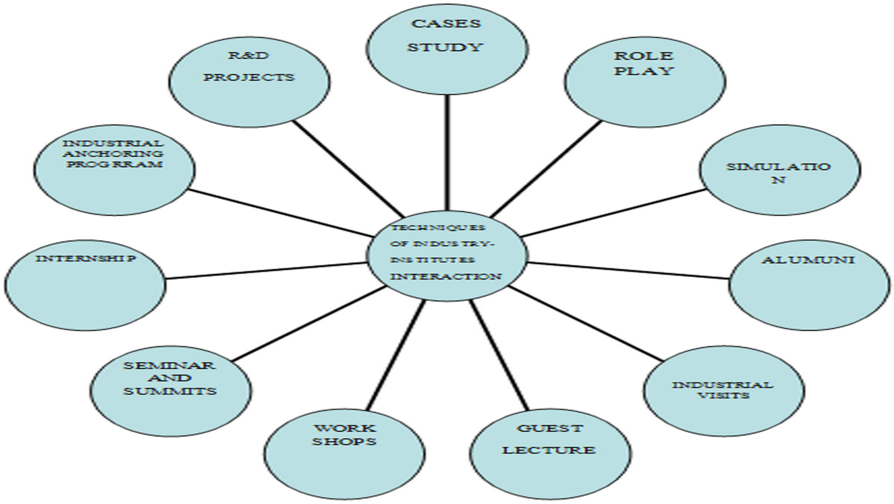
These interactions in specified areas deemed to be of great importance for the nation to be competitive.

"Interconnectedness is one of the keys to competitiveness in the Knowledge-based economy".

The nation that fosters an infrastructure of linkages among and between industry, universities gains competitive advantage through quicker information diffusion and product deployment.

TECHNIQUES OF INDUSTRY- INSTITUTES INTERACTION

Various techniques should be used by universities to give students a platform for interaction with the practices being followed in the industries which would give them real time experience and practical understanding of what does industry want them to be equipped with Some of the techniques which would lead to industry –institutes interaction are:



CASE- STUDIES

Case studies can be used to:

- Allow the application of theoretical concepts to be demonstrated, thus bridging the gap between theory and practice.
- Encourage active learning.
- Provide an opportunity for the development of key skills such as communication, group working and problem solving.

ROLE PLAY

Role playing is a methodology derived from socio drama that may be used to help students understand the more subtle aspects of higher roles they aspire to be in the future. Role playing is the best way to develop the skills of initiative, communication, problem-solving, self-awareness, and working cooperatively in teams, and would give an opportunity for industry –institute interaction by understanding the role of the managers in the industries.

SIMULATION:

Simulation training is an interactive teaching method that allows students to learn through practice, experiencing cause and effect. Simulation method involves giving computerized copy of real situation of the problems and students are asked to solve the problem. This type of training is often used to reinforce soft skills, such as negotiations, conflict management, and interpersonal communication.

ALUMINI

Alumni provide a platform for the students to interact with the ex-students who will share their experience of working in industry, thus acting as source to understand the industries through them and thus helping in career growth and development.

INDUSTRIAL VISITS:

The motive is to provide the students with a right blend of theoretical learning and an opportunity to witness how those concepts are utilized in the practical environment. Industrial visits are good source of industry –institute interaction, as students get direct insight and real perspective of the operations in the industry and a chance to interact with the elite group of the organizations.

GUEST LECTURES

Guest Lectures by eminent personalities in business and social sectors conducted on a regular basis helps to provide students with valuable . Participation in Workshops, Seminars and Summits ,Workshops, business summits, seminars, etc. by organizations such as NIPM, NHRD, AIMA and CII. These programmes are organized will enhance student's interaction skills, intellectual abilities, etc.

MINISEMINARS

Mini seminar can be organized every month. In this seminar, prominent working professionals from corporate world should be invited to interact with students and share their working experience. This also facilitates students to understand the capabilities required to become a corporate leader.

INTERNSHIPS

Internship plays an important role. Internship programmes should be implemented with the intention of providing them live experience. Here, students are assigned

projects to work in a group as well as individual projects.
INDUSTRY ANCHORING PROGRAMME

Industry Anchoring Programme (IAP) is one the techniques of introducing students to the industry. The programme helps students to get accustomed to the work culture of organizations. Students are given different assignments by faculty, as it is part of course curriculum.

RESEARCH AND DEVELOPMENT PROJECTS:

Research-oriented projects in areas of mutual interest can be taken up by students sponsored by the industry. These are most suitable for exploring a new concept or methodology.

JOINT SEMINARS

Joint seminars are considered to be an effective mode of not only cross-branding but also strengthening the academic relationship between business school and the industry. They are an opportunity for students to gain an understanding of the latest industry trends and industry a chance to gauge the institute and its students for prospective placements

SECTORAL SPECIALISATION IN MANAGEMENT EDUCATION

In today's increasingly competitive world, it may not be enough to just have an MBA, realizing this; universities should roll out into specialized courses with a sharp focus on sectors. The students now have an opportunity to look at a specialization right from day one of their management career. Such a specialization can give students looking for the edge in the special sectors and to have substantial advantage in their job search and career progression .This give students a strong grounding in the fundamentals.

The basic functions of organization (finance, marketing, human resource, production) can be explored and specialized courses can be provided for the students to have grip on the sectors of their interest.

NEED OF EMERGING SPECIALIZATIONS

With the existing specializations implemented in the curriculum of few institutes, there is need for some other specializations increasing the scope of the course into the deeper aspects of business activities. This need is raised due to the competition among the firms, where each firm strives towards a competitive advantage over their competitors to have an edge over the other.

To meet demand of the industry few new emerging specializations are listed below:

Entrepreneurial Finance

This will help students:

- understand and apply the principles of working capital management
- develop a business plan and excel models for financial decision making,
- prepare a series of financial forecasts and budgets for businesses
- Understand the importance and techniques of risk management.

Marketing Research

The purpose of this course is to develop a managerial appreciation toward marketing research. Attention is sequentially focused on information needs, research design, methods of data collection and the drawing of conclusions through relevant analysis. Integration of the concepts discussed is achieved through a focus on demand measurement, product, advertising, distribution and pricing research.

Real Estate Studies Concentration

This course would enhance their existing management skills in focusing directly on issues of value in real estate assets and in the built environment.

- Appreciate and understand the meaning and relevance of property value in their business sphere.
- Apply their own specific real estate valuation knowledge to the interpretation and solving of property matters applicable to their specific businesses.

Innovation and New Product Development

This would help to understand managing new product development from an interdisciplinary perspective and managing innovation. And learn how to effectively integrate strategy, marketing, design, and manufacturing decisions not only by discussing state-of-the-art frameworks/tools for effective product development in large organizations but also by developing a new product or service idea in a course project.

Factors which hinder interaction

There are some factors which hinder university-industry interaction.
Institute side some of the inhibiting factors are:

- lack of initiative amongst faculty towards applied research,

- lack of incentive to faculty,
- lack of experts and specialized technical infrastructure,
- Universities do not have enough market oriented programs.
- Academic staff at the institutes is interested in teaching than interested in innovating and risk taking.

Industry's side these factors include:

- insensitivity to or lack of awareness of the resource potential of the academia;
- high-profile professional consultants;
- Bad experience of earlier interactions with academia, etc.
- do not share information on problems of process and market.

Benefits of industry –institution interaction

The 3I model of industry- institution interaction will result in boosting –up the economy and the employment scenario by –

- Will tune the syllabus of academic institutions as per the requirement of the industry.
- Industry will get ready –to-use manpower.
- Better employment ability to the students.

Will help students to work on industrial projects, which will help them to fund their studies and the industry to monitor the students as prospective recruits.

FINDINGS

- Both the elements are working separately without knowing the needs and resources of each other. The existing interaction is limited to the few vocational courses of the undergraduate students in industry.
- Majority of participants (about 90 %) think that such linkages should be established in a prominent manner for better mutual growth of academia and industry.
- The major barriers identified in developing such Academia Industry (AI) linkages from industrial perspective were Poor equipment, facilities and infrastructure for research in institutions, Lack of information on research being done in institutions and Lack of Initiative taking people in academics

- Large populations of participants (over 95 %) from academia feel that there is an urgent need for such interaction to grab the opportunities which are not being filled due to lack of skills.
- Majority of participant showed their willingness to be the part of such interaction as this will give them an opportunity to make them more competent
- Over 85 % of participants think that people from academic institutions should go to industry (to get tuned with latest trends of industries) and vice a versa (for higher studies) for some time.

RECOMMENDATIONS

- Strong measures are to be taken to undertake massive industry –institute linkages.. However the major constraints found were, Lack of information about getting in touch with relevant partner.
- It was observed during the study that the syllabi of the academic institutions is not upgrading regularly. By the time the graduate pass out from the course the knowledge obtained become outdated and of no use. Regular up gradation of the syllabus curriculum will generate the manpower in ready to use mode that could be absorbed and utilized by industries.
- Insufficient infrastructure and research facility was the prime barrier from industrial perspective. The academic institutions are needed to be supported financially in order to strengthen the basic infrastructure and research facilities that would be helpful in attracting the industries for research collaborations.
- It was also suggested with great emphasis that that people from academic institutions should go to industry. (To get tuned with latest trends of industries) and vice versa (for. higher studies) for some time. Henceforth strategic modifications should be taken by both academia and industry to execute such exchange.
- In academic and industrial organizations the faculty/researchers actively engaged in research and promoting such collaborations should be rewarded financially. The extent of faculty participation should build a major criterion in the promotional policies.
- Formation of joint committees of the academic and industry at different levels to evaluate the institutions interest, commitment and initiatives. No compulsions, but work for mutual academic and commercial advantage harnessing the research capabilities in both elements.

CONCLUSION:

Industry –institution interaction is the need of today's higher education. This benefits the students by getting an exposure which will help them to develop and transform them into skilled and efficient workforce .This would lead to proper match of student's interest and work they get into leading right person fit into right job. The various techniques leading to the industry –institution interactions should be encouraged and included in the curriculum of all universities, such that student who cannot afford to go abroad or get into B-Schools with exorbitant fees ,can get the real time experience of industries. To make the young managers successfully manage their work, sectoral education should be encouraged to help students get grip on the areas of their interest. The rapid rate of advancements of new Knowledge and the fast pace of technological change will require regular knowledge updating. Thus, industry representation for updating curriculum be made mandatory for producing graduates as per the need and requirement of industry / professional sector.

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FOREIGN DIRECT INVESTMENTS (FDIS) IMPACT ON SMALL AND MEDIUM ENTERPRISES (SMES) IN INDIA

Shaik Hameedullah

ABSTRACT:

The Small and Medium Enterprises (SMEs) play a pivotal role in the economic and social development of the country. Often acting as a nursery of entrepreneurship. This sector also plays a key role in the development of the economy with their effective, efficient, flexible and innovative entrepreneurial spirit. The SME sector contributes significantly to the country manufacturing output, employment and exports and is credited with generating the highest employment growth as well as accounting for a major share of industrial production and exports. The enterprises have been classified broadly into two categories: (i) Manufacturing; and (ii) Those engaged in providing/ rendering of services. SMEs are the engines of growth of any country's economy. They are an essential source of a country's jobs, create entrepreneurial spirit and jobs in a country and are crucial for fostering competitiveness and employment. According to the Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 the Micro, Small and Medium Enterprises (MSME) are classified. According to the current policy FDI can come into India in two ways. Firstly FDI up to 100% is allowed under the automatic route in all activities/sectors except a small list that require approval of the Government.

INTRODUCTION:

The Small and Medium Enterprises (SMEs) play a pivotal role in the economic and social development of the country. Often acting as a nursery of entrepreneurship. This sector also plays a key role in the development of the economy with their effective, efficient, flexible and innovative entrepreneurial spirit. The SME sector contributes significantly to the country manufacturing output, employment and exports and is credited with generating the highest employment growth as well as accounting for a major share of industrial production and exports.

OBJECTIVES OF THE STUDY:

1. To study analytically the classification of enterprises.
2. To discuss the importance of Foreign Direct Investment (FDI) in Indian economy.
3. To examine the policy of the Government in relation to FDI on the SMEs in Indian economy.

METHODOLOGY:

A secondary source of the data is adopted in explaining the contents of the paper. A critical examination of the policy introduced by Government of India towards the FDI is historically studied.

Importance of the Study:

The topic chosen for the study concerned to economics, trade commerce and foreign business relations. These are need of hour at present to discuss for growth and development economy. SME helps in discouraging monopolistic practices of production and marketing, and actively contributes growth of national economy along with opportunity creation for accumulation of foreign exchange earning in national reserves. Since independence, SME sector has played a pivotal role in national economic development. In India, it is estimated that there are over 1.4 million small industries, out of which about 30 per cent may relate to manufacturing. SSI sector account for about forty percent of total industrial production, thirty five to forty percent of total exports and a significant share in employment (close to 2.5 million) and close to 8% of GDP. However SMEs or SSI sector (now called as micro, small and medium enterprises, MSMEs) are going through a transition phase including restructuring of strategies and facilities since the announcement of new policies in 1991 and thereafter progressive adoption of liberalised and globalising policies in India.

Each and every nation is trying to liberalize its economic policies in order to attract investments from not only, domestic players, but also from magnates all across the globe. Consequently, people with generous reserves of funds, all around the globe, are expanding their wings and seeking opportunities for investing in different spheres of this lucrative market. India too is not oblivious to the rapid developments taking place in the global market and has emerged as one of the prime destinations for the investment of funds from an impressive number of foreign investors productive Foreign Direct Investment (FDI) is a superb conduit for the transfer of technology and know-how to developing countries.

Categories of Enterprises:

The enterprises have been classified broadly into two categories: (i) Manufacturing; and (ii) Those engaged in providing/ rendering of services. Both categories of enterprises have been further classified into Micro, Small and Medium Enterprises (MSMEs). A Small Enterprise is an enterprise where the investment in plant and machinery is more than Rs. 25 lakh but does not exceed Rs. 5 crore; and a Medium Enterprise is an enterprise where the investment in plant and machinery is more than Rs.5 crore but does not exceed Rs.10 crore. Excluding land, building and the items specified by the Ministry of MSME. In the case of enterprises engaged in rendering of services Small Enterprise is an enterprise where the investment in equipment is more than Rs.10 lakh but does not exceed Rs. 2 crore; and a Medium Enterprise is an enterprise where the investment in equipment is more than Rs. 2 crore but does not exceed Rs. 5 crore. Excludes cost of land, buildings, furniture, fittings and other items. SMEs are the engines of growth of any country's economy. They are an essential source of a country's jobs, create entrepreneurial spirit and jobs in a country and are crucial for fostering competitiveness and employment. According to the Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 the Micro, Small and Medium Enterprises (MSME) are classified as:

1. Manufacturing Enterprises: The enterprises engaged in the manufacture or production of goods pertaining to any industry specified in the first schedule to the industries (Development and regulation Act, 1951). The Manufacturing Enterprises are defined in terms of investment in Plant & Machinery.
2. Service Enterprises: The enterprises engaged in providing or rendering of services and are defined in terms of investment in equipment.

As per the latest definition, the MSME Act, 2006 are classified as:

Manufacturing Enterprises Based on Investment in Plant & Machinery

Description	INR	USD($)
Micro Enterprises	Upto Rs. 25 Lakhs	Upto $ 62,500
Small Enterprises	Above Rs. 25 Lakhs Upto Rs. 5 crores	Above Rs$ 62,500 & Upto $ 1.25 million
Medium Enterprises	Above Rs. 5 crores Upto Rs. 10 crores	Above Rs$ 1.25 million & Upto $ 2.5 million

Source: MSME annual report 2011-12.

Services Enterprises Based on Investment in Equipments

Description	INR	USD($)
Micro Enterprises	Upto Rs. 10 Lakhs	Upto $ 25,000
Small Enterprises	Above Rs. 10 Lakhs Upto Rs. 2 crores	Above Rs$ 25,000 & Upto $ 0.5 million
Medium Enterprises	Above Rs. 2 crores Upto Rs. 5 crores	Above Rs$ 0.5 million & Upto $ 1.5 million

Source: MSME annual report 2011-12.

FDI Scenario in India:

It is the policy of the Government of India to attract and promote Foreign Direct

Investment (FDI) from non-residents in activities which significantly contribute to industrialization and socio-economic development. FDI supplements the domestic capital and technology. 'FDI' means investment by non-resident entity/person resident outside India in the capital of the Indian company. The volume of FDI in India is relatively low comparing to China. The case for attracting large volumes of FDI into India requires an analysis of FDI culture, economic reforms & policy issues in the Indian context. Many economists in the country have now realized the advantages of FDI to India. While the achievements of the Indian government are to be lauded, a willingness to attract FDI has resulted in what could be termed an "FDI Industry". While researching the economic reforms on FDI, it was discovered that there exists a plethora of boards, committees, and agencies that have been constituted to ease the flow of FDI. A call to one agency about their mandate and scope usually results in the quintessential response to call someone else. Reports from FICCI and the Planning Commission place investor confidence and satisfaction at an all time high; citizens too deserve to be clued in on the government bodies are doing. According to the current policy FDI can come into India in two ways. Firstly FDI up to 100% is allowed under the automatic route in all activities/sectors except a small list that require approval of the Government. FDI in sectors/activities under automatic route does not require any prior approval either by the Government or RBI. The investors are required to notify the Regional office concerned of RBI within 30 days of receipt of inward remittances and file the required documents with that office within 30 days of issue of shares to foreign investors. All proposals for foreign investment requiring Government approval are considered by the Foreign Investment Promotion Board (FIPB). The FIPB also grants composite approvals involving foreign investment/ foreign technical collaboration.

The change in sectoral policy/sectoral equity cap is notified from time to time through Press Notes by the Secretariat for Industrial Assistance (SIA) in the Department of Industrial Policy & Promotion. Policy announcement by SIA are subsequently notified by Reserve Bank of India (RBI) under Foreign Exchange Management Act (FEMA). Thus while clear procedures have been established for FDI, government needs to seriously evaluate how much resources and money is being poured to what is becoming the FDI industry. The fluidity of bodies has resulted in the monetary value of FDI feeding a makeshift industry that deals with dealing with the concept and procedures of FDI. The World Bank conducts an annual study on "Doing Business in India" (World Bank 2007). The report available in Doing Business 2008, India is ranked a rather inglorious 120 out of 178 economies. The report is based on a "series of annual reports investigating the regulations that enhance business activity and those that constrain it. Doing Business presents quantitative indicators on business regulations and the protection of property rights that can be compared across 178 economies from Afghanistan to Zimbabwe and over time. The report considers 10 indicators and they are fairly self-explanatory. These indicators are; starting a business, dealing with licenses, employing workers, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and closing a business.

Policy on FDI in India:

The requirement for FDI arises out of three basic rationale; first, to meet the gap between required investments to funnel economic growth and national savings, second, to get strategic technology transfer and managerial expertise, and third, to add to the competitive edge for exports given the international linkages arising out of FDI. 100 per cent FDI is permitted under the automatic route for trading companies for cash & carry trading wholesale trading/wholesale trading. FDI up to 51 per cent under the Government route is allowed in retail trade of Single Brand products, according to the Consolidated FDI Policy document. The Consumer Affairs Ministry has given the green signal to allow 49 per cent FDI in multi-brand retail. It has written a letter to this effect to the Commerce Ministry. “Multi-brand retail should be permitted with a cap of 49 per cent… A significant chunk of investments should be spent on back-end infrastructure, besides logistics and agro-processing,” the Consumer Affairs Ministry had said in response to the discussion paper floated by the Department of Industrial Policy and Promotion in June 2010 on allowing 100 per cent FDI in multi-brand retail. The Securities and Exchange Board of India (SEBI) has notified the increase in the retail investment limit to US$ 4,391.19 in Initial Public Offers (IPOs). The new norms will be applicable to issues that have yet not opened for subscription (Government of India 2010).

FDI is prohibited in the following activities/sectors:

i. Retail Trading (except single brand product retailing)

ii. Atomic Energy

iii. Lottery Business

iv. Gambling and Betting

v. Business of chit fund

vi. Nidhi company

vii. Trading in Transferable Development Rights (TDRs)

viii. Activities/sector not opened to private sector investment.

Many policy barriers have been removed on FDI in India; results have at times been disappointing due to administrative barriers at the state level as well as lack of coordination between the central and state governments. There need to be greater coordination between the centre and states to ensure that the substantial foreign interest in investing in India gets translated into actual investment flows to the state.

CONCLUSION:

The Trade ministry in a new policy move announced new liberalised Foreign Direct Investment norms for Micro and Small enterprises (MSEs) replacing the 24 per cent ceiling on foreign holding with sectoral caps. The crux of the new policy is that now MSEs will be guided like other large enterprises as far as FDI is concerned. The present policy on FDI in MSEs permits FDI subject only to the sectoral equity caps, entry routes and other relevant regulations, according to the formal notification issued by the Department of Industrial Policy and Promotion. However, if non-medium and small enterprises manufacture any of the 21 items which are reserved for MSEs, any FDI above 24 per cent will require the Foreign Investment Promotion Board's approval. The new norms are likely to bring in more FDI into the MSE sector which needs lot of funds to survive. They strongly object to permitting FDI in retail trade in any form on the grounds that it will endanger the livelihood of 40 million people directly engaged in retail trade and 200 million people depending on them in India. They contend that farmers and small manufacturers will be forced to sell their products at cheaper prices dictated by the predatory pricing policies of multinational companies. There is no substantive evidence to support this argument. There are also divided opinions among government departments on the efficacy of opening up to FDI in multi-brand retail. FDI in retail, may, therefore, be an efficient means of addressing the concerns of farmers and consumers. In the norms that are instructed to the foreign player, they should purchase 30% of the product they deal with from the Small and Medium Enterprise. This ensures the development of SME. The foreign player would like to provide the quality product. The SME would be encouraged to produce the commodity that is of high quality.

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THE RELATIONSHIP BETWEEN ORGANIZATIONAL COMMITMENT AND ORGANIZATIONAL CITIZENSHIP AMONG EMPLOYEES IN SELECT PUBLIC SECTOR ORGANIZATIONS – AN EMPIRICAL STUDY

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ABSTRACT

This study expects to investigate the relationship between organizational commitment and organizational citizenship behaviours of employees in TSTRANCO and TSGENCO. The specimen included 350 employees functioning at public sector organizations (TRANSCO & TSGENCO). A scale that aimed to measure the employees' organizational commitment and their organizational citizenship behaviour was accustomed collect data. Mean scores, Pearson minute correlation coefficients, and simple linear regression analyses were administered to analyze data. Positive relationships exist between organizational commitment and organizational citizenship behaviour. The results demonstrated that organizational commitment was a major predictor of organizational citizenship behaviour.

Keywords: Organizational Commitment, Organizational Citizenship Behaviour, Empolyees, Consciousness, Courtesy, Civic virtue and Sportmanship

INTRODUCTION

Analysis exists on organizational citizenship behaviour (OCB). These studies appear to principally focus on the causes that bring out OCB and its effects on different variables such as organizational commitment (OC) culture, organizational struggle, job satisfaction, organizational equity, organizational communication, and personality traits of employees. Analysis concentrated on OCB goes back to the early 1980s, whereas the main focus shifted to organizations in the 2000s. the primary of those aimed to determine the OCB levels of employees working in public sector organizations and examine their relationships with different organizational variables. The fundamental motivation behind the present study is to examine the relationship between organizational commitment and organizational citizenship behavior. This study is hypothetically significant as a result of it conjointly tests whether the relationship between OC and OCB applies to employees in public sector organizations. Then again, it's practically significant because the findings of the study might facilitate executives perceive employee behavior.

Organizational Commitment (OC)

Organizational Commitment is outlined as acting in a very manner that protects the interests of the organization and indicates commitment to the entire of the organization, to not its elements. OC is tended to in three separate dimensions: affective commitment, continuance commitment and normative commitment (Meyer and Allen 1997). Affective commitment indicates the event wherever the individual is happy for being a member of the organization, and needs to remain within the organization considering the prices to be endured if he or she leaves the organization. Normative commitment, on the other hand, refers to feeling obligated to remain within the organization, basic cognitive process that he or she incorporates a responsibility towards the organization. In other words, OC rises froman obligation or need to to remain within the organization.

The dimension that has prominence in the OC literature is that the affective dimension (Allen and Meyer 1990; Meyer and Allen 1991). OC is an individual's dependability to the social framework, his or her longing to be incorporated into the social framework and propensity to hold the social connections inside the framework. Commitment involves at least three primary factors. Characterizing OC because the psychological attachment of the individual to his or her organization, O'Reilly III and Chatman (1986) defined commitment in three dimensions: (a) "compliance" supported the aspiration to urge rewarded and avoiding sanctions, (b) "identification" supported the desire to establish shut relationships with alternative employees, and (c) "internalization" based on the closeness of the organization's and also the individual's values. beneath the compliance dimension, the worker performs a task as a result of he or she should. The individual works out of concern of a penalization or within an expectation of a reward. Compliance doesn't permit alternative, and also the individual is duty-bound to try and do what he or she should do beneath supervision. Identification means that the individual gets integrated with the organization reciprocally for the items he or she appreciates.

Organizational Citizenship Behaviour (OCB)

Inside the writing on OCB, a large portion of the references are made to Organ's (1988) definition: "employee behavior based on voluntariness that's not clearly known among the formal reward system of the organization, however that helps the organization operate as a whole". However, the literature additionally includes arguments on this definition. With the objection of Morrison (1994), who asserts that OCB is an element of the formal roles of employees, the definition got nearer to the idea of "contextual performance" in parallel with Motowildo et al.'s (1997) definition, that reads as follows: "the behavior that enhances performance within the social and psychological atmosphere wherever the employees perform their work". Currently, there's no accord within the literature on the dimension describes created in relationships with OCB. some thirty different OCB dimensions were defined within the literature, and that they were gathered below seven main topics: helping behavior, sportmanship, OC, organizational loyalty, individual initiative, civil virtue, and self development behaviors (Kose et al. 2003). The five-dimension (altruism, consciousness, courtesy, civil virtue and sportmanship) classification developed by Organ (1988) is that the one that's used the foremost often in the literature. altruism needs employees to voluntarily facilitate alternative employees within the face of issues. Consciousness goes beyond the obligations of employees and needs employees to contribute to the functioning of the organization voluntarily, whereas courtesy necessitates employees to foresee the matters which will cause issues for alternative employees and to create propositions for solution. Civil virtue on the other hand, indicates active and voluntary contribution to the organizational life as an entire (Olcum Cetin 2004). Sportmanship stands for being tolerant in the face of the disturbances and compulsion caused by the work.

Relationship between Organizational Commitment and Organizational Citizenship Behaviour:

While vital relationships between OC and OCB were found in a number of the studies conducted on organizational commitment and organizational citizenship behaviour, in alternative studies, no significant relationship was found. whereas there are studies indicating that examining the relationship of organizational commitment and organizational citizenship behaviour with a third variable would reduce the impact of OCB, there are different studies reporting that doing thus would enhance that effect. This study explores the relationship between OC and OCB of employees in public sector organizations, that the findings to be obtained from TRANSCO and GENCO employees working significantly public sector organizations in Hyderabad and not facing the chance of losing their job unless a significant crime is committed may offer helpful results regarding the relationship of OC and OCB.

Reason for the Study

The present study expects to investigate the materialness of the ideas delivered in organization connection. It additionally reveals insight into whether OC and OCB change as indicated by gender, experience and specific field. With this concern in mind, the subsequent research queries were asked:

1. What are the OC and OCB levels of employees in public sector organizations?
2. How do TRANSCO and GENCO employees' OC and OCB dissent consistent with gender?
3. How do TRANSCO and GENCO employees' OC and OCB differ in line with experience?

4. Is there a significant relationship between the employees' OC and OCB?

5. Is OC a significant predictor of OCB?

Objectives of the study

1. To examine Organizational Commitment in relation to Organizational Citizenship Behaviour in study organizations.

Review of Literature

Many research studies took place over the years in the field relevant to the present study to be under taken. Some of the research studies are mentioned below. (1) Ali Riza Terzi (2015), studied that the relationships between primary and secondary school teachers' OC levels and organizational citizenship behaviors were examined. They found that the compliance sub-dimension received a lower score compared to internalization and identification in primary and secondary schools. (2) Newland (2012), examined the Organizational Citizenship Behavior- Individual or Organizational Citizenship Behavior Organization: Does the Underlying Motive Matter and found that all participants were more likely to engage in OCBO behavior regardless of motive type. His finding led to the conclusion that motives do not matter when it comes to predicting the type of OCB performed. The results also indicated that there is a significant positive relationship between both types of OCB. Increase in OCBI or OCBO will likely increase the other as well. (3) Deww Zhang (2011), noted that the Citizenship behaviours come in many distinct shapes and forms. Traditionally thought of as the worker who 'goes above and beyond' the minimum requirements, it can also be the employee who takes the initiative and always offers to lend a hand; the knowledgeable, helpful and cooperative colleague; the senior staff member who is able to roll with the punches; or the friendly, approachable manager who shows the new employees around the office and introduces them to other staff. (4) Organ, Podsakoff and McKenzie (2006), stated that OCB requires that it is not directly or explicitly recognized by the formal reward system of the employing organization. Rather, the behavior involves some degree of personal choice, such that the person will not be punished if he or she chooses not to engage in the behavior. (5) Steers (1977), viewed that it might be useful to distinguish between "Active" and Passive" commitments, when he did not find significant relationships between organizational commitment and performance. Active commitment is expressed in terms of behavioural intentions, whereas passive commitment is an effective response. Active commitment, then, results in behaviours and the passive commitment in just continuing membership. (6) Allen and Meyer (1990) summarized these three components and the differences among them as "Employees with strong affective commitment remain because they want to, those with strong continuance commitment because they need to, and those with strong normative commitment because they feel they ought to do so" (p. 3). Although organizational commitment was proposed to have three dimensions, the high correlation between affective and normative commitment raised questions about the dimensionality of commitment. However, the high correlation between these two dimensions should not be considered as unity.

RESEARCH METHODOLOGY

Participants

The members were 350 TRANSCO and GENCO employees working in the Hyderabad solely. The number of all employee working in TRANSCO and GENCO. Thus, the study group represents the population at a rate of 38.12 percent. A total of 240 (68.6%) of the participating employees are male, whereas 110 (31.4%) area unit female employees. while 187 of the employees are TRANSCO employees, 163 are GENCO employees. a total of 350 of the participating employees have professional experience between 5 and 20 years and above.

Research Tools

Instruments Used This research was conducted using four separate instruments. Following is an overview of the instrumentation selection process and a discussion of the instruments that were used as a part of this research. Theoretically based, reliable and validated instruments were used to measure respondents' perceptions of the three major constructs in this study:

i. Organizational citizenship behavior scale developed by Organ, Podsakoff, & Mackenzie (2006).

ii. Commitment to the organization was measured using the Organizational Commitment Questionnaire developed and revised by Meyer and Allen (1997).

iii. Demographic Data Form including (age, qualification, gender, marital status, professional experience and level of management), was developed by the investigator.

The "OCB Scale" developed by Organ, Podsakoff & Mackenzie (2006) was used for the purpose of measuring organizational citizenship behaviors. The OCB scale measures the dimensions of altruism, consciousness, courtesy, civic virtue, and sportmanship. The item total correlations reported by Mercan (2006) for the OCB scale vary between .62 and .82 for the "altruism" dimension, between .72 and .80 for the "consciousness" dimension, between .58 and .85 for the "courtesy" dimension and between .75 and .84 for the "civic virtue" dimension and .82 and .78 for the "sportsmanship" dimension . Mercan (2006) examined the reliability of the scale with

the use of “Cronbach’s alpha coefficient”. While the Cronbach’s alpha coefficient of the items related with the altruism dimension was determined to be α=.85, it was found to be α=.87 for the consciousness dimension, α=.89 for the courtesy dimension, α=.78 for the civic virtue dimension and α=.80 for the sportmanship dimension.
The total Cronbach’s alpha coefficient of the OCB scale was determined to be α=.89. It is a 5 point Likert type scale. In the present study, the “OC Scale” Allen and Meyer’s (1990) examination of the relationships between the commitment scales revealed that the continuance commitment scale was relatively independent: affective {p < .001, r =. 06), and normative (p < .001, r = .14). However, the correlations between the affective and normative scales were statistically significant and relatively strong (p < .001, r = .51). Cohen (1996) reported similar findings: normative and affective (p < 001, r = .54), normative and continuance (non-significant, r = .06), and continuance and affective (non significant, r = .02). Several studies have examined the reliability (alphas) of the OCQ. Allen and Meyer (1990) reported .87 for affective, .75 for continuance, and .79 for normative. Dunham et al., (1994) found alpha ranges of .74 to .87 for affective, .73 to .81 for continuance and .67 to .78 for normative. Cohen (1996) discovered alphas of .79 for affective, .69 for continuance and .65 for normative. Finally, Meyer et al. (2002) performed a meta-analysis of studies using both the 6-item and 8-item OCQ. They collected data from people who had sought permission to use the OCQ during the last 15 years as well as from computer databases dating back to 1985. The mean reliability of all the studies was .82 for affective, .73 for continuance and .76 for normative. Examples of items from the OCQ questionnaire include: - Affective commitment-I would be very happy to spend the rest of my career with this organization - Continuance commitment-it would be very hard for me to leave my organization right now, even if I wanted to. - Normative commitment-this organization deserves my loyalty.

Data Analysis

During data analysis, the arithmetic mean was used to determine OC and OCB levels, the independent t-test was used to find out the differ ences in terms of the variables of gender, field, and experience, the Pearson moments correlation coefficient was utilized to detect the relationships between OC and OCB, and a simple linear regression was used to determine the predictive effects of OC on OCB.

Results

OC and OCB levels of TRANSCO and GENCO organizations employees are presented in Table 1.

Scale	Dimensions	N	x	sd
OC	Affective commitment	350	1.81	.67

	Continuance commitment	350	3.23	.88
	Normative commitment	350	3.68	.78
	OC total	350	3.00	.51
OCB	Altruism	350	5.01	1.01
	Conscientiousness	350	4.97	1.01
	Courtesy	350	4.60	1.16
	Civic Virtue	350	4.78	1.26
	Sportmanship	350	4.99	1.32
	OCB total	350	4.86	. 86

Table 1 shows that the employees' total commitment scores are at a medium level (x= 3.00). While the affective commitment of OC was determined to be at a "low" level (x=1.81), its Continuance commitment was determined to be at "medium" (x=3.23), and Normative commitment was determined to be at "high" (x=3.68) level. The level of the OCB total points is close to the "high" limit (x=4.86) according to the boundaries of the 5-point Likert type scale. While the Altruism of the OCB was determined to be at "quite frequent" level (x=5.01), its conscientiousness (x=4.97), courtesy (x=4.60), civic virtue (x=4.78) and sportmanship (x=4.99) were found out to be at "mostly" level.

The findings concerning the differences among the genders in terms of OC and OCB are presented in Table 2. Table 2 shows that there is a significant difference (p=.016; p.>05) between the two genders in terms of the conscientiousness of OCB, and that male employees exhibit more conscience than female employees (x= 4.77). The same significant difference in favor of male employees also applies to OCB total points (p=.020; p.>05; x= 4.77). Significant differences in terms of continuance (p=.016; p.>05), normative (p=.005; p.>01), and OC total scores (p=.006; p.>01) also exist among the employees. It can be concluded that male employees exhibit a higher lev-el of OC than their female colleagues.

Table 2: t-test for differences between OC and OCB by gender

Sub- dimensions	Gender	N	x	sd	df	t	p
Altruism	Male	240	4.95	.88	348	.1.106	.269
	Female	110	5.07	1.00			
Conscientiousness	Male	240	4.88	1.06	348	-.1.722	.085
	Female	110	5.07	.96			

Courtesy	Male	240	4.45	1.15	348	.2.565	.011*
	Female	110	4.55	.92			
Civic virtue	Male	240	5.28	1.28	348	.1.428	.038*
	Female	110	4.77	1.15			
Sportsmanship	Male	240	4.73	1.33	348	-.1.535	.126
	Female	110	4.88	1.29			
OCB total	Male	240	4.76	.85	348	-2.330	.020*
	Female	110	4.97	.86			
Affective	Male	240	1.82	.62	348	.201	.841
	Female	110	1.80	.71			
Continuance	Male	240	3.12	.86	348	.2.420	.016*
	Female	110	3.35	.89			
Normative	Male	240	3.58	.83	348	.2.729	.005**
	Male	110	3.81	.70			
OC total	Male	240	2.92	.51	348	-2.825	.006**
	Female	110	3.08	.51			

*p.>05 **p.>01

The total scores of OC and OCB were found significant for female employees, which may be indicative of the fact that organizations act on masculine values. The findings concerning the differences among the employees' experience in terms of OC and OCB are presented in Table 3.

Table 3: t-test for differences between OCB and OC by experience

Variables	Experience	N	x	sd	df	t	p
OCB	1) 5-10 years	241	4.81	.85	350	-1.595	.112
	2) 21+ years	109	4.98	.87	350		
OC	1) 5-10 years	278	3.09	.55	350	-3.644	.000**
	2) 21+ years	072	2.91	.46	350		

Table 3 demonstrates that OCB does not vary on the basis of the employees' experience. A difference in terms of OC was determined for employees that worked in their present workplace for over 21 years (p<.01). This finding may be indicative of the fact that OC increases in line with the increased employees experience. In the literature, it is expected that the more the experience (seniority), the higher the OCB. Table 3 demonstrates this increase, yet it is significant. Employees with lower seniority seem to display higher levels of commitment.

The findings concerning the differences between the employees fields in terms of OC and OCB are presented in Table 4.

As can be seen in Table 4 there is no differentiation in the employees' organizational citizenship behaviors. In terms of OC, there is a difference at (p=001) the level between TRANSCO employees and GENCO employees. TRANSCO employees' level of OC is higher than that of GENCO employees.

Table 4: t-test for differences between OCB and OC by employess

Variables	Field	N	x	sd	df	t	p
OCB	TRANSCO	241	4.96	.95	330	1.930	.057
	GENCO	109	4.78	.76	330		
OC	TRANSCO	241	3.09	.55	330	3.271	.001**
	GENCO	109	2.91	.46	330		

**p>.01

Table 5 presents the relationships between OC and OCB.
As can be seen in Table 5, there is no signif-icant relationship between OCB and the affective dimension of OC. However, low, yet positive and significant relationships exist between continuance and altruism (r=.22, p>.01), between continuance and conscientiousness (r=.15, p>.01), between continuance and courtesy (r=.33, p>.01), between continuance and civic virtue (r=.001, p>.01), between continuance and sportmanship (r=.23, p>.01), and finally between continuance and total OCB (r=.31, p>.01).

Table 5: Correlation values concerning OC and OCB

Dimensions	Altruism	Conscient-iousness	Courtesy	Civic vitue	Sportm-anship	OCB total
Affective commitment	-.04	-.00	-.07	.04**	-.06	-.00
Continuance commitment	.22**	.15**	.33**	.001**	.23**	.31**
Normative commitment	.44**	.35**	.53**	.025**	.32**	.54**
OC total	.38**	.29**	.46**	.38**	.28**	.47**

**p>.01 N=350

DISCUSSION

The study conducted in public sector organizations TRANCO and GENCO in Hyderabad purpose to varied interactions. The findings of this study support those of different studies in the literature, confirming the presence of significant variations in OC and OCB in terms of gender. in the study conducted by Sokmen and Boylu (2011) on hotel establishments, vital variations in favor of female employees were determined in the selflessness and courtesy sub-dimensions of OCB. Similarly, Kose et al. (2003) found significant differences in favor of female academicians within the courtesy dimension. Samanci-Kalayci (2007) on the other hand, incontestable that male academics exhibit a lot of positive behaviors than female academics in terms of OCB. Ozkaya et al. (2007) conducted a study on public and private sector executives, and also the researchers determined female executives' continuance commitment to be beyond male executives', whereas Kursunoglu et al. (2010) reported male teachers' normative commitment is above female teachers'. Uslu and Balci's study (2012) disclosed a significant distinction between male and female teachers with regards to the self-development and voluntariness sub-dimensions. Sirikligil (2015) found a significant difference between organizational citizenship behaviors of teachers working in state schools and private schools. Some research results are in accordance with the findings of the study as regards gender (Canak 2014; Kose 2014), where-as others conclude that organizational commit-ment don't show variation in step with gender (Akgül 2014; Ertürk 2014). Apparently, there's a scarcity of accord on the results of the studies on OCB and OC with regards gender.

The experience variable is vital in studying the link between OC and OCB (Bal-ay 2000; Yalcin and Iplik 2007). In the present study, it was resolved that distinctions in experience result in huge contrasts in OC and OCB. Because the level of experience will increase, thus do the levels of OC and OCB. This finding is additionally in line with the findings of different studies in the literature (Budak 2009; Sigri 2007). For instance, Morrison (1994) explains however organizational commitment enhances OCB on experience. As per him, increase in experience leads to a rise in the commitment to the organization. In turn, the employee undertakes additional obligations, that results in enhanced organizational citizenship behavior. In the present study, positive and important relationship between organizational commitment and organizational citizenship behaviors were found. The findings accept as true with those of alternative studies in the literature. In another study on OC and OCB, Sevinç (2014) investigated commitment and citizenship relations and located important relations between OCB dimensions of alturism-courtesy, civic virtue, sportmanship and affective commitment. moreover, Ari (2014) found significantly positive relations between organizational commitment and organizational citizenship behaviors during a study conducted in edifice enterprises. Dogrul (2013) carried out a study on the next education establishment, finding absolutely significant relations between affective commitment and civic virtue, and attendance commitment and conscientiousness. many alternative studies present proof for a similar relation (Paille 2010; Varli 2014). In fact, the study confirmed that organiza-tional commitment could be a significant predictor of OCB. this can be in concordance with the connected literature (Cohen 2006; Dilek 2005; Gurbuz 2006; Organ and Ryan, 2006; parnell and Crandall 2003; Paille 2012). In this study, the relationship between TRANSCO and GENCO organization employees' OC levels and organizational citizenship behaviors were analyzed. The sub-dimension with the highest level of organizational commitment determined. A major finding of the study is that the affective commitment sub-dimension received a lower score compared to normative commitment and continuance in TRANSCO and GENCO organizations.

Another finding was that the normative commitment is generally connected with the conscientiousness and altruism among alternative OCB dimensions. As a matter of reality, the dimension of conscientiousness needs employee to travel on the far side his or her obligations and to participate within the functioning of the organization voluntarily. Normative, on the other hand, stands for the employee's adopting and normative commitment in the organization. an employee who sincerely adopts organizational values would additionally show conscientiousness behavior. From this time of view, the relationships between normative commitment and conscientiousness is also seen as a natural consequence. the very fact that the affective commitment failed to exhibit any relation with OCB may signal that the presence of any forced sanction could alienate the employee from OCB. This study analyzed the ideas of organizational commitment and organizational citizenship, that were originally. In fact, the current study discovered results the same as those of alternative studies conducted in numerous cultures. This could be explained in two-fold, (a) all concepts regarding personalities have universal matches, and (b) The forgin culture is globalizing with time. This may really have an impact on organizational commitment and organizational citizenship behavior in organizations.

SUGGESTIONS

Executives could use organizational commitment and OCB as tools in increasing organizational effectiveness. Viewed as productivity and performance, organizational effectiveness is expounded with the effort created in achieving objectives and therefore the continuity of the actions. In the planning and implementation of organizational revision, organizational commitment and organizational citizenship behaviors are important in enhancing the continuity of the efforts towards organizational objectives.

Particularly, employees with high levels of organizational commitment could play a role that expedites revision. Indeed, organizational commitment would build the acknowledgment of hierarchical destinations and the willful commitment of representatives towards the endeavors for accomplishing these objectives. The deliberate commitment of representatives to the accomplishment of authoritative targets may encourage the acknowledgment of power and may render administration more utilitarian.

Limitations

This analysis has been administered on a restricted sample. Future studies is conducted on OC and OCB with larger samples that don't solely cover service organization, this study, research has been carried out in TS TRANCO and TS GENCO, identical research could also be extended to different organizations of the service sector. This could provide results that will allow additional generalization. Additionally, society studies that examine the relation between organizational commitment and organizational citizenship behavior is also conducted on cultures that bear alikeness to social and organizational culture.

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THE TECHNOLOGY S-CURVE: A CONCEPTUAL MODEL FOR DETERMINING CAPITAL STRUCTURE

Dr.C.G.Sastry

ABSTRACT

The technology S-Curve explains the path of technological process. I propose to examine the specific risks associated with each stage of technological process, and propose a strategic model to manage the risks occurring during the process of raising capital in any corporate enterprise. Technology S-Curve provides a conceptual tool for entrepreneurs to conduct appropriate preparation and formulation of strategies associate with capital structure.

INTRODUCTION

Every organization conceived and implemented will be either using some technology which is embryonic for further development or mature where chances of further development almost cease to exist. A technologies improvement of performance follows the S-curve. The S-curve or the technology life cycle model (Foster 1986) remains a widely thought tool for technological innovation and competition. The technology progresses through three-stage technology life cycle (TLC): (1) Embrionic stage, (2) Tehnology improvement stage and (3) The mature-technology period (Fig.1)

Technology at inventor's desk has no commercial value. As time progresses any technology which is going for commercial application at the beginning its penetration is slow. It is due for its non-standardization of technology and low market acceptance. The technological know-how at this stage is nascent and needs further refinement. The rate of progress increases, as the technologies are issued. Here market penetration takes place and market growth is seen in terms of sales volumes. Then as technological development progresses, technology matures and its further improvement constrained by physical limits for upgradation. Here in this stage sales volumes and profits become stagnant. In the next place the R&D efforts and expenditure does not bring any commercial success and here at this stage the technology is replaced with newer alternative technology where the present technology goes for complete obsolescence and commercialization of the existing technology become much more difficult and profitability decreases.

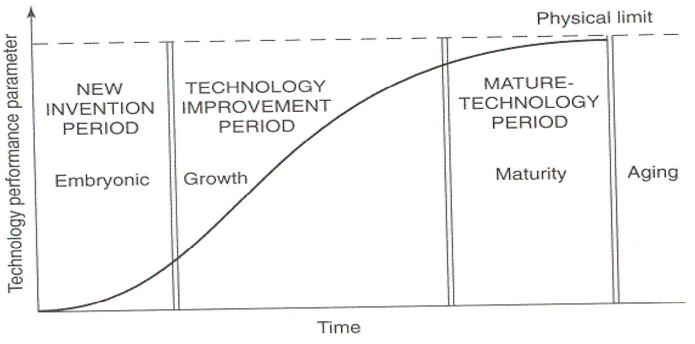

Figure.1 S-Curve of Technological Progress

Technology and Financial Attractiveness

Financial success usually depends solely on product success which is intern linked to the stage at which technology lies. Based on the technology and its use the businesses and companies can be categorised into (1) Future-oriented company (2) Top performing company (3) Crisis-ridden company and (4) Value destroying company. One can accept the hypothesis that cost, volume and profit of the company depends mostly on above stated class based categorization. The matrix shown below in Fig: 2 provide portfolio assessment approach to understand both level of technologies (attractiveness) in use and financials (attractiveness) expected.

Financial attractiveness

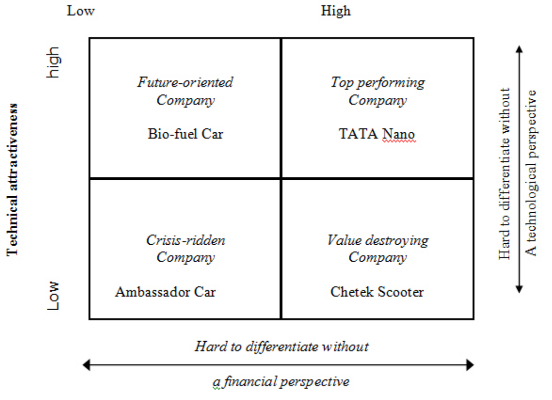

Figure. 2 Technological attractiveness Vs Financial Attractiveness

The top left grid in the matrix representing future oriented companies are high technological oriented companies coupled with low financial attraction as these companies requires large initial investment and the market volumes will not gear up to give sufficient profits for present sustenance. The companies which are producing electric cars can be categorized under this segment. The top right grid in the matrix showing top performing companies goes with high technological attractiveness and high financial effectiveness. Low cost Tata Nano car due for launch in 2008 by Tata's group company can be placed in this category as it is expected to have great market potential and high profits. The next category of companies shown on left lower grid are those companies which are crisis-ridden having both lower technological & financial attractiveness. We can put great Ambassador Car Company under this category which is becoming almost extinct. The down right grid of matrix shows value destroying companies where the financial attractiveness is great at present but with matured product in hand does not have any future in the long run.

Entrepreneurial Risks at three stages of Technology S-Curve

Entrepreneurial Risks are mostly associated with R&D effort, Cost involved in development and its performance. Entrepreneurial risk namely Development risk , Financing risk , Manufacturing risk , Marketing risk , Management risk and Growth Risk comes mainly from Technology S-Curve. The level of entrepreneurial risk will be different various phases of S-Curve. (Table.1)

Table.1 Entrepreneurial Risks associate at various stages of Technology Life Cycle

Stage/Risks	Embryonic Stage	Growth Stage	Maturity Stage
Development Risk	More	Less	Less
Manufacturing Risk	More	Less	Less
Financial Risk	More	Less	More
Marketing Risk	Less	Less	Less
Management Risk	Less	Less	Less
Growth Risk	Less	Less	More

S-curve provides a strategic tool for startup firms to map out various risks that can affect the company vis-à-vis its operations, employees, stakeholders, and customers

Capital Structure and Technology S-Curve

Capital structure is mix of debt, preferred stock and common stock with which a firm plans to finance its operations. The basic aim of any organization to have optimizing capital structure which is selecting appropriate proportion of various forms of debts and equity to have lower Weighted Average Cost of Capital and to maximize the firms value. This, however, is easier said than done. Though the topic has been extensively researched, there is no single formula or theory that conclusively provides the optimal capital structure for all firms. Thus, conceptual framework is made to understand various entrepreneurial risks at various phases in Technology Life Cycle and suitably model appropriate Capital Structure Policy to contain financial risks efficiently. Table.2 given below expected model for financing for the organisation at various stages of technological curve to drive the organization to peg up profitability all through its life cycle (Table. 2)

Table 2. Capital Structure and Technology S-Curve

Stage/Source of Finance	Embryonic Stage	Growth Stage	Maturity Stage
Debt Finance	Less	Progressively increase according to sales volume	Progressively decrease with the age of the product
Equity Finance	More	Progressively decrease according to sales volume	Progressively decrease with the age of the product or atleast should go in for 100% Dividend payouts

To conclude the financial pundits might be skeptical with the reasons put forth in this conceptual paper as to feasibility of adopting Technology S-curve guidance for financing mix in any organization because predicting Technology S-curve itself is difficult. But with mathematical models worked out along with intuitive methods of reasoning one can easily predict with 80 to 90 percent accuracy the technology life cycle.

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A COMPARATIVE STUDY ON CUSTOMER SATISFACTION: REFERENCE TO BSNL & AIRTEL MOBILE NETWORK

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ABSTRACT:

In present competitive world satisfying a customer is becoming very difficult as the customers are having more options to choose to satisfy their needs especially when it is related to Mobile connection sector. The mobile phone usage has been increasing in India and it occupies second place in number of connections in the world. With latest technology of mobile portability customer can change their service provider without changing their number. This in turn made the service providers very difficult to sustain and maintain their valued customers. Customer always tries to get more services at lower rates. So the companies started measuring their customer satisfaction and to know the preferences of the customers. Customer satisfaction has become a well –studies construct in marketing given its importance and establish relationship with customer retention and firm profitability such studies focus upon the impacts of various response determinants on satisfaction judgment and within a specific product or services, the impact of these various determinants on satisfaction are heterogeneous. In this research paper, special emphasis has been laid over the comparative analysis of telecom companies AIRTEL and BSNL by using primary sources of data in Hyderabad. . For the completion of efficient research work, descriptive and exploratory research design has been used which further conclude that BSNL is having weak performance as compared to BHARTI AIRTEL

Keywords: Network, Satisfaction, Coverage, Feedback, Call duration

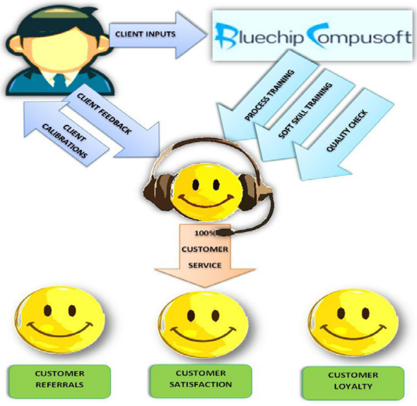
INTRODUCTION:

In the today's competitive world communication plays a very important role. Communication has become an integral part of the growth, success and efficiency of any business. This is the technology that gives a person the power to communicate anytime, anywhere. Due to advancement in technology, now communication becomes easy and faster. India's telecom sector has shown massive upsurge in the recent years in all respects of industrial growth. From the status of state monopoly with very limited growth, it has grown in to the level of an industry. Telephone, whether fixed landline or mobile, is an essential necessity for the people of India. This changing phase was possible with the economic development that followed the process of structuring the economy in the capitalistic pattern. The stupendous growth of the Telecommunication companies in India over the last fifteen years can be attributed to the liberal government of India, economic policy. In this research paper, special emphasis has been laid over the comparative analysis of telecom companies AIRTEL and BSNL by using primary sources of data in Hyderabad. . For the completion of efficient research work, descriptive and exploratory research design has been used which further conclude BSNL is India's oldest and largest communication service provider (CSP). It had a customer base of 117 million as of Jan 2014. It has footprints throughout India except for the metropolitan cities of Mumbai and New Delhi, which are managed by Mahanagar Telephone Nigam (MTNL). Bharti Airtel is the first Indian telecom service provider to achieve Cisco Gold Certification. It also acts as a carrier for national and international long distance communication services. The company has a submarine cable landing station at Chennai, which connects the submarine cable connecting Chennai and Singapore.

LITERATURE REVIEW

According to Parker and Mathews (2011), the most popular descendant of the discrepancy theories is the expectation disconfirmation theory (Oliver, 1977, 1981), which stated that the result of customers' perceptions of the difference between their perceptions of performance and their expectations of performance. Positive disconfirmation leads to increased satisfaction, with negative disconfirmation having the opposite effect. Yi (1990) expressed that customers buy products or services with pre-purchase expectations about anticipated performance, once the bought product or service has been used, outcomes are compared against expectations. If the outcome matches expectations, the result is confirmation. When there are differences between expectations and outcomes, disconfirmation occurs. Positive disconfirmation occurs when product or service performance exceeds expectations. Therefore, satisfaction is caused by positive disconfirmation or confirmation of customer expectations, and dissatisfaction is the negative disconfirmation of customer expectations (Yi, 1990).

Weiner (1980, and 1985); and Folkes (1984) proposed the attribution theory, which stated that when a customer purchases a product or service, if the consumption is below expectation, the customer is convinced that the supplier causes the dissatisfaction. The complaining customer is focused on restoring justice and the satisfaction outcome is driven by perceived fairness of the outcome of complaining. Westbrook and Reilly (2013) proposed the value-percept theory, which defines satisfaction as an emotional response caused by a cognitive-evaluative process, which is the comparison of the product or service to one's values rather than an expectation. So, satisfaction is a discrepancy between the observed and the desired.



METHODOLOGY:

Primary data was collected through observation, questionnaires and interviews. Along with Filling up of questionnaire interviews in local language with customer was done. The data is selected as a major primary data collection method, since the aim of the study is the customers perceived service quality and how it is related to customer satisfaction our main focus is thus the customer.

OBJECTIVES:

- To know the Customer Satisfaction factors for telecom services generally and Airtel and BSNL specifically.
- To evaluate brand wise factors to asses satisfaction factors of individual users.
- To find out the customer's satisfaction towards the various services provided by BSNL AND AIRTEL telecom service providers.

Hypothesis:

H01: There is no significant association between type of network and their satisfaction levels on availability of getting mobile connection

H02: There is no significant association between type of network and their satisfaction levels on tariffs for outgoing calls.

H03: There is no significant association between type of network and their satisfaction levels on network quality

Sample: The users of Airtel and BSNL service in the Hyderabad region.

Sample Size: The users of above said service where 106 Airtel servicer users and 100 BSNL service users opinions are considered to collect the data.

Survey tool: The data was collected by using a structured questionnaire and the relevant questions regarding customer satisfaction was incorporated in questionnaire to collect data.

H01: There is no significant association between type of network and their satisfaction levels on availability of getting mobile connection.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	7.267a	4	.122
Likelihood Ratio	7.295	4	.121
N of Valid Cases	206		

a. 2 cells (20.0%) have expected count less than 5. The minimum expected count is 2.08.

From the above table chi square is not significant (sig. value is greater than 0.05), no evidence to reject null hypothesis. It means that there is no significant association between type of network and their satisfaction levels on availability of getting mobile connection.

H02: There is no significant association between type of network and their satisfaction levels on tariffs for outgoing calls.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	17.869a	4	.001
Likelihood Ratio	17.886	4	.001
N of Valid Cases	206		

a. 1 cells (10.0%) have expected count less than 5. The minimum expected count is 3.12.

From the above table chi square is significant (sig. value is less than 0.05), reject null hypothesis. It means that there is a significant association between type of network and their satisfaction levels on tariffs for outgoing calls.

H03: There is no significant association between type of network and their satisfaction levels on network quality

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	28.955a	4	.000
Likelihood Ratio	29.087	4	.000
N of Valid Cases	206		

a. 2 cells (20.0%) have expected count less than 5. The minimum expected count is 1.39.

From the above table chi square is significant (sig. value is less than 0.05), reject null hypothesis. It means that there is a significant association between type of network and their satisfaction levels on network quality.
Regression

Model Summary

network	Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
AIRTEL	1	.563a	.317	.283	.812
BSNL	1	.794b	.630	.620	.561

R: Represents the multiple correlation coefficients with a range lies between -1 and +1. R values of AIRTEL and BSNL networks are 0.563 and 0.794 respectively. It means AIRTEL and BSNL networks Quality management to ensure customer satisfaction has positively relationship with network quality, company responsiveness in dealing with customers, Company dealing with customer grievances, network connectivity and message offers

R Square: Represents the coefficient of determination and ranges between 0 and 1. R square values of AIRTEL and BSNL networks are 0.317 and 0.630 respectively; it means AIRTEL network 31% of variation explained by dependent variable (Quality management to ensure customer satisfaction) in terms of independent variables network quality, company responsiveness in dealing with customers, Company dealing with customer grievances, network connectivity and message offers. BSNL network 63% variation explained by dependent variable (Quality management to ensure customer satisfaction) in terms of independent variables network quality, company responsiveness in dealing with customers, Company dealing with customer grievances, network

ANOVA[a]

network	Model		Sum of Squares	df	Mean Square	F	Sig.
AIRTEL	1	Regression	30.591	5	6.118	9.277	.000b
		Residual	65.947	100	.659		
		Total	96.538	105			
BSNL	1	Regression	104.041	5	20.808	66.027	.000c
		Residual	61.139	194	.315		
		Total	165.180	199			

a. Dependent Variable: 18.HOW DTO YOU RATE THEIR APPROACH TO QUALITY MANAGEMENT TO ENSURE COMPLETE CUSTOMER SATISFACTION ?

From the above ANOVA table F is significant (F sig. value is less than 0.05) it indicates the dependent variable Quality management to ensure customer satisfaction is more reliable.

DISCUSSION OF RESULTS:

Findings:

- The study revealed that in Hyderabad region customers are not bother about network coverage , which has an impact of choosing network.
- Customers are very much price consciousness, where they are choosing networks based on various tariff offered by network providers.
- The hypotheses reveled that there is no link between network quality and satisfaction level of customers with respect to both networks.
- Mobile customers are give much priority to 3G network fastness and service provider brand name.
- The present network distributors are having no such great complaints regarding customer service from both networks.
- Both the service providers case the customer's grievance handling case was different where Airtel is provide good service compare with BSNL.
- Customers' satisfaction and foster recommendation (positive word of mouth) are depending on mainly four factors, i.e. Customized Value Added Services, Convenience, Network Coverage and Call Tariff.

SUGGESTIONS:

- The strategic plan of the government with the combined offer of internet and broadband at a cheaper rate, the fixed line sector has the potential to spring back in the future.
- The need of the hour is rural penetration by the effective implementation of a well organized strategy. Value added services, broadband / internet connectivity, Wi-Fi, 2G / 3G / 4G services; wide network coverage even low tariff would be the thrust area in non - urban mobile telephony.
- Introduction of district level licensing in order to improve tele-density in rural area must be initiated.
- Cellular operators should be continuously develop strategies and rewrite their game plans by adding new features, schemes to reach the new age customers.

CONCLUSION:

- The study on the Indian telecom industry by concentrating on BSNL and AIRTEL mobile service providers observed that there is very high competition among the players in the industry.
- Comparative study of customer satisfaction based on a survey which is done in Hyderabad division on BSNL and AIRTEL mobile service providers with some Quos parameter. This paper is based on the data collected from the customers using mobile and broadband services provided by the network providers.
- All the players are giving special offers and schemes as per the market conditions to maximize the subscriber base.
- Competition in telecom industry is heating up. Now it’s time for Indian telecom players to align up in the new dynamic business environment.
- Telco majors should think to launch the product according to the needs of customers to satisfy them.

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CUSTOMER BUYING BEHAVIOUR & BRAND INFLUENCING IN CAR PURCHASING IN HYDERABAD

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ABSTRACT:

The pasts of the automobile replicate an achievement that took place around the globe. Automobile products are the second principal optional buying made by a consumer, after household acquisition, the affluences of the automobile industry are closely connected with that of the common progress of the economy, not reusable incomes and consumer sureness. Around 80 years ago, the Indian Automobile Market was nothing because we did not have any automobile manufacturer in India. There were some imported cars in India. After the independence of India, government had started efforts to develop an automobile industry. In the beginning of automobile industry in India, the progress rate was very slow. But now, the situation is relatively different. We have very large market for automobile industry. Currently, India has amongst the lowest vehicle solidities globally at 11 cars per thousand persons and 32 two-wheelers per thousand persons. This is very low as compared to other comparable economies. The passenger car segment has emerged as a major driving force for upstream industries like steel, iron, aluminum, rubber, plastics, glass, and electronics and downstream industries like advertising and marketing, transport and insurance. The car industry generates large amount of employment opportunities in the economy.

Keywords: Behavior, Post purchase, Model, Mileage, Quality

INTRODUCTION:

The automobile industry today is the most lucrative industry. Due to the increase in disposable income in both rural and urban sector and easy finance being provided by all the financial institutes, the passenger car sales have increased at the rate of 38% per annum in June 2012-13 over the corresponding period in the previous year. Further competition is heating up in the sector with a host of new players coming in and other like Porsche, Bentley, Audi, and BMW all set to venture in the Indian markets. One factor that could help the companies in the marketing of their product is by knowing and creating a personality for their brands. This research attempts to answer some of the questions regarding car buying personality of some cars in selected cities i.e Hyderabad and Secunderabd also known as twin cities in India by conducting the market research. This personality sketching will help in knowing what a customer (or a potential customer) thinks about a given brand of car and what are the possible factors guiding a possible purchase. Similarly, the idea of measuring the customer satisfaction will serve the same purpose of determining the customer perception. Thus, by measuring the" willingness of existing users of a car to recommend it to others" will help the car manufacturers to chalk out the entire Customer Buying Behavior. This research will be helpful for the new car entrant companies in India to find out the possible gaps between the customer expectations and the present market offerings. It will be mainly a primary research and the information will be gathered from both primary and secondary research. The research will analyze the applicability of existing research concepts, theories, and tools for evaluating consumer satisfaction.

The concept of "buying behavior" is of prime importance in marketing and has evolved over the years. It is important to understand consumer buying behavior as it plays a vital role in creating an impact on purchase of products. The human wants are unlimited and always expect more and more. Car Models are no exception to this behavior. This lead to constant modifications of Car Models & its features and today the market observe new model coming into the market practically every quarter. The market is a very important place to study the behavior of consumers and also provide useful insights what a consumer requires in a product. The last decade has seen a major transformation of the Indian car industry, from a protected business with only one world-class manufacturer to a landscape that includes most of the world's major players as well as some emerging domestic firms vying for a significant piece of an expanding market.

LITERATURE REVIEW:

(1) Chattopadhyay et al. (2010) empirically tested a model for finding the effect of advertising frequency across different media vehicles towards building brand equity for passenger car market. This model was tested for both first time buyers and repeated buyers. The effect of media mix elements on dimensions of brand equity was examined. The media mix elements taken for the study were TV adds frequency, print add frequency, event sponsorship frequency, online add frequency and mobile add frequency. Dimensions of brand equity taken were perceived quality and brand awareness. Secondary data for the said purpose was collected from India : forecast and analysis, 2007. (2) Schroder et. al (2010) extended a customer lifecycle models to include a post termination stage that bridges the dissolution stage of a consumer-brand relationship with a potential recovery stage. Sample of 43 customers who drove their cars for non business purposes and had terminated their relationship

within previous four years. Telephonic interview was conducted with the help of questionnaire consisted of close ended questions. Categorical principal component analysis (CATPCA) was used for the analysis. Four different clusters had been framed with different characteristics. The first cluster consisted of customers who are —positively attached‖ and second was —hurt yearners‖. Both these clusters had repurchase intentions. Third cluster consisted of —furious leavers‖ who switch to other due to product / service failure and fourth consisted of detached leavers. Both third and fourth clusters do not had any purchase intentions in the near future. Ozaki et al. (2011) conducted analysis of consumer purchase motivations. (3) Kopnina (2011) aimed to study children's attitude towards cars and the environment. It was assumed that attitudes towards cars tend to develop in childhood. The study was conducted in Amsterdam between January, 2009 and December, 2010. indepth interviews was conducted with Dutch upper elementary school children. Sample of 69 children and 111 parents/ legal guardians were interviewed. The data was analyzed with the help of content analysis and MAXQDA (qualitative analysis program). (4) Peters et al. (2011) identified psychological factors that are effective in measuring change in behaviour and helps in promoting fuel efficient cars. Model was proposed which integrated psychological variables that explained the purchase of fuel efficient vehicles by private consumers. The data was collected from 302 Swiss respondents whose household have bought a new car since 2002. Structured equation modeling was used to confirm the factors. It was concluded that problem awareness, symbolic motives and response efficacy influence the respective behaviour indirectly via effecting the direct predictors.

METHODOLOGY:

Research methodology is known as "heart" for any type of social science research especially in behavioral studies. The researcher need to narrate the methodology perfectly and navigate things accordingly which yields an fruitful research outcome for any emerging researcher as well as society.

OBJECTIVES:

1. To study the automobile sector in general and the Small car segment in particular.
2. To determine the demographic variables of the customers of different features of cars.
3. To study the consumer preferable factors while buying a car.
4. Examine the customer perception about the cars.

Hypothesis:

H03: There is no significant relation between age of the respondent and preferred fuel type of car.

H04: There is no significant relation between family size of the respondent and preferred fuel type of car.

H05: There is no significant association between income of the respondent and impact of car price while purchasing new car.

Sample:

The population for the present study contains the four wheeler/ Car user from last 6 months, who are well experienced with the car purchasing pros/cons in the market.

Sample size

The proposed study will contain 312 sample size which is derived from relavant statistical formulas. Formula for sample size calculation is being used by the researcher to justify that the sample considered is a valid sample.

FACTORS TESTED BEFORE BUY CAR

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.961
Bartlett's Test of Sphericity	Approx. Chi-Square	7163.646
	df	55
	Sig.	.000

First Meyer-Olkin sample adequacy test is conducted to check the dimension value is greater than 0.07 or not .The results indicate that the value is ≥ 0.07(.961).This indicates that the sample is adequate. Further Bartlett's test has been done to check whether sphericity for the dimension is <0.05 or not. From the above table it is found that the sphericity value is 0.000, which is <0.05. Hence, the researcher proceeds with the factor analysis to determine dimension wise factors.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	9.396	85.423	85.423	9.396	85.423	85.423
2	4.964	8.762	94.185			
3	.172	1.564	95.749			

4	.140	1.276	97.025			
5	.071	.643	97.668			
6	.065	.591	98.259			
7	.051	.464	98.723			
8	.045	.411	99.134			
9	.040	.366	99.499			
10	.028	.254	99.754			
11	.027	.246	100.000			

Extraction Method: Principal Component Analysis.

The above table indicates that initial number of factors is same as the number of variables used in the tested dimension. However not all 11 factors will be retained. In this test only 2 factors are retained since their eigen value is greater than 1 i.e, 9.39, 4.96 for the components 1,2 respectively. The total variance for the two factors is 85%, which is considered as statistically significant.

Rotated Component Matrix[a]

	Component	
	1	2
Brand	.937	.313
price	.771	.547
safety	.664	.411
speed	.471	.813
Performance	.979	.118
Technology	.863	.901
Color	.871	.664
Equip.	.612	.114
Exterior	.770	.751
Interior	.361	.984
Reslae	.216	.651

Extraction Method: Principal Component Analysis.
a. 1 components extracted.

The above rotated component matrix revealed only two factors, but the similar nearby values are indicating total 4 factors, those are

Factor	Factor Name	Common Name
1	• Brand • Performance	Brand Efficiency
2	• Interior • Technology	Performance

The common name indicating that most of the respondents are preferring for brand efficiency of the car followed by performance of car by all means , with respect to mileage and speed.

H01: There is no significant relation between age of the respondent and preferred fuel type of car.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	189.644a	15	.000
Likelihood Ratio	214.322	15	.000
Linear-by-Linear Association	8.374	1	.004
N of Valid Cases	312		

a. 11 cells (45.8%) have expected count less than 5. The minimum expected count is .05.

The above chi square test indicating that , the significant value is 0.00, which is less than (0.05) revealed that the null hypotheses is rejected, i.e there is no such relation between age of the respondent and preferred fuel type of car. i.e all categories of respondents are mostly preferring diesel preferred cars in Hyderabad.

H02: There is no significant relation between family size of the respondent and preferred fuel type of car.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	250.312a	15	.000
Likelihood Ratio	247.490	15	.000
Linear-by-Linear Association	3.296	1	.069
N of Valid Cases	312		

a. 8 cells (33.3%) have expected count less than 5. The minimum expected count is .18.

The above chi square test indicating that , the significant value is 0.00, which is less than (0.05) revealed that the null hypotheses is rejected, i.e there is no such relation between family size of of the respondent and preferred fuel type of car. i.e irrespective of family size the respondents are Preferring diesel version cars.

H03: There is no significant association between income of the respondent and impact of car price while purchasing new car.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	228.062a	12	.066
Likelihood Ratio	234.831	12	.000
Linear-by-Linear Association	52.658	1	.000
N of Valid Cases	312		

a. 2 cells (10.0%) have expected count less than 5. The minimum expected count is 2.46.

The above chi square test indicating that , the significant value is 0.66, which is greater 0.05 (0.66) revealed that the null hypotheses is accepted, i.e there a significant association between price of the car and income of the respondent, i.e the income and price is highly interdependent things while purchasing of new car.

DISCUSSION OF RESULTS:

1. Majority of the respondents reported that they formed their expectations through the statement made by friends and relatives and therefore it would be beneficial if the extent of influence of such groups is studied. It may be found through closely studying the social interactions of the consumers.
2. Experts believe the main driver of the Indian car market is the availability of car finance on easy installments and reasonable interest rates. Most of the respondents also reported that due to the easy availability of finance they buy cars. So the car dealers should have tie-up arrangements with authorized financial institutions to boost sales.
3. The demand for small car segment is increasing because of the growing number of nuclear families as well as parking problems. Hence the manufacturers should find out the needs, wants, tastes and preferences of the consumers in order to

design the products.

4. The respondents perceive that driving comfort and fuel economy are the most important features of the passenger car followed by availability of spare parts and price of the car, thus the manufacturers should design the product giving maximum weight age to these factors.

5. India is witnessing significant changes in the economic and social status of women. Many women are now becoming educated and they pose challenge in employment, once reserved for men. According to the observations made, it is stated by most of the female respondents that the automobile manufacturers should study the behavior of women and should produce a car exclusively for women as the two wheeler manufacturers are doing.

6. Most of the respondents expressed that they have technical problems in their existing car and some of them opined that they switch over to another brand because they would like to buy a new technology car. The car manufacturers should have a strong R &D department and introduce new models quite frequently in the market.

CONCLUSION:

The testing results provide practical insights for vehicle manufacturers and dealers to develop and execute more effective strategies in targeting what consumers want according to their, purchasing behaviour. The result showed that the consumers highly value car's reliability as the most important factor that influences their decision on buying a car. Thus, this indicates the importance of improving car's reliability. Besides, automobile companies have to work together and cooperate with automobile manufacturers since automobile manufacturers enhance the car's reliability and the marketing department of automobile companies has to increase the awareness of consumers regarding the car's reliability.

The statistical test shows that the car's safety has significantly influenced a consumer buying behaviour towards national cars. These characteristics include the airbag availability, auto lock system and car sensor availability, safety anti-lock system (ABS), rain sensor and so forth. The finding indicates that consumers are safety conscious about the cars they are going to purchase. The availability of certain safety features determines their purchasing decision. The car with higher safety score will be more favourable to be purchased by the consumers. Besides, as vehicles improve with technological advancements, faster speeds were attained and annoying little bumps as well as more serious accidents were a by-product of our use.

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EMPLOYEES TRAINING NEED ANALYSIS AND DEVELOPMENT IN APCPDCL OF APTRANSCO

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INTRODUCTION:

The erstwhile Andhra Pradesh State Electricity Board was having a training and development wing since its formation. At that time the training center was located in a shed in Min Compound, Khairatabad, Hyderabad. The training wing in Andhra Pradesh State Electricity Board was initially conducting training and development programs for its engineers and other officers and other staff members in coordination with outside agencies, like the Institution of engineers (India) A.P. State Center and the Administrative Staff College of India, Hyderabad. Later it started the Engineering Graduate Training Center (E.G.T.C.) at Banjara Hills, Hyderabad in a rented building. Sensing the importance of training and development activities for the organization of the size of Andhra Pradesh State Electricity Board. Central Power Training Institute (CPTI) was established at the GTS (Gas Turbo Sets) Colony, Erragadda, and Hyderabad over an area of about Five acres of land with full of greenery. The training institute is located 3 Km away from main road. The present training campus of Andhra Pradesh central power Distribution Company Limited. (APCPDCL) consists of three blocks.

- Administrative Block
- Hostel Block
- Mess Block

The CPTI owned and maintained a VAN (Swaraz Mazda) having seating capacity of 25, which is utilized for field visits. There are five Line Staff Training Centers, which are under the Technical control of the Central Power Training Institute, G.T.S. Colony, Erragadda, Hyderabad and the Administrative control of the respective Distribution Companies.

- Line Staff Training Center, Hyderabad
- Line Staff Training Center, Cuddapah
- Line Staff Training Center, Vijayawada
- Line Staff Training Center, Visakapatnam
- Line Staff Training Center, Waranagal.

The Training Institute is headed by a Chief Engineer. He is overall in charge of Training Institute and also the Planning Department of APCPDCL. The Chief Engineer is assisted by a Superintending Engineer under whose control Divisional Engineer (Training), Divisional Engineer (Training & Development), Senior Accounts Officer and Assistant Secretary (Examinations) are working. The Divisional Engineer (Training) is looking after the conducting of training programmes. The Divisional Engineer (Training & Development) is looking the preparation and pupation of course material, chalking out the training programmes for every financial year etc. The Senior Accounts Officer is also the course coordinator for certain programmes. He is also heading the Accounts Wing. The Assistant Secretary (Examinations) is in charge of departmental examinations which are being conducted for various categories of employees.

OBJECTIVES OF THE STUDY:

a) To study various training programmes viz., technical, financial in APCPDCL of APTRANSCO

b) To evaluate the effectiveness of the training programmes being conducted in APCPDCL.

c) To evaluate and to determine whether the training objectives are being met,

d) To ensure that the training is being accomplished in the most effective and economical way.

METHODOLOGY OF THE STUDY:

The study is made with utilized survey, analytical and empirical methodology. The primary data was collected through structured questionnaire from the employee. For the collecting data random sample techniques were used, on employees in APTRANSCO, The secondary data has been collected from official records, circulars, annual reports of AP Transco company website, APTRANSCO journals, newspapers and various books

Training and development policy and practices

There are about 45 thousands employees are working in APCPDCL under 195 cadres starting from Chief Engineer to Assistant Engineer in Technical, Financial Adviser & Chief Controller of Accounts to Junior Accounts Officer in accounts, General Manager to Junior Personnel Officer in personnel, Inspector General of Police to Sub Inspector of Police in Security and many supporting cadres like Sub-Engineers, UDC, LDC, Linemen, Assistant etc., to fulfill Organizational Goals in respect of Transmission, Distribution and supply of Power to consumers. The training department analyzes the training needs of above employees in fulfilling organizational goals in the following manner. The Central Power Training Institute(CPTI) in consultation with HRD department and heads of various departments prepare proposals for Annual Plan and is worked out to detail at micro level up to a day's schedule for conducting the various training programs on Technical, Accounts and Computer subjects such as Induction level modular programs, Refresher courses on need based subjects, Management development programs, IT programs, specialized courses on Technical subjects, Training courses on Vigilance and Disciplinary topics for its personnel in all cadres whether they are appointed directly or promoted from a lower cadre to the next higher cadre and for the personnel who are already in service. Then the proposals will be circulated to the heads of various departments for their review and comments. Based on the training needs of the employees, the APCPDCL has identified following main areas of training for various levels of employees:-

A) At the level of officers:

Level	Officers
Induction (Junior)	Company overview Customer orientation Effective communication skills Computer / IT skills Office Administration
Transition (Middle)	Leadership and Team Building Planning and effective delegation Presentation and interpersonal skills Computer / IT skills
Leadership (Senior)	Strategic Management Leadership and Team Building Coping with change Planning and effective delegation Corporate communication

Further the APtransco has formulated the following functional area-wise training programmes for its employees:-

Technical	Accounts/ Commercial	Personnel	Regulatory	General Management & IT

• Load Despatch and Grid Management. • O&M planning and scheduling. • Energy Audit and Energy Conservation. • Preventive Maintenance. • Safety techniques. • Transmission Line Maintenance. • Maintenance of relay equipment. • Power system studies and system analysis. • Contract management skills. • Resource management	• Inventory control. • Project management. • MIS on stores warehousing, stores management. • Materials handling. • Statutory requirements and compliance. • Working capital and other areas of financial management. • Concepts on procurement and project management. • Concepts on Power Purchase Agreements etc. • Energy efficiency improvement.	• Personnel management & industrial relations, disciplinary procedures. • Knowledge of relevant legal frameworks and legislations. • Effective human resource management. • Advanced training techniques. • Maintenance of employee relations. • Corporate communication skills.	• Concepts in Aggregate Revenue Return and tariff filing. • Understanding of the ways in which ARR and tariff filing is done for utilities dealing with transmission. • Overview of the regulatory framework, practical aspects of dealing with the regulator. • Licensing and regulatory compliance. • Preparation of reports for the regulator.	• Strategic Management. • Business risk management. • Corporate Planning. • Creating corporate value through financial restructuring. • Project management. • Improving managerial competence. • General management. • Leadership and Team Building. • Cost management. • introduction to Computers. • E-Commerce concepts.

- **Programmed instructions**

In addition to above "Demonstrations and Examples method" is also followed by arranging field visits to the different work areas of the organization like Power Stations, Sub-Stations, TRE centers etc, and Manufacturing Units of important equipment like Transformers, CT, PT, Energy Meters etc. It also arranges seminars by reputed companies to know latest trends in the industry and to update the knowledge. YOGA classes also conducted for one hour duration per day for all the participants attending the training program on residential basis. The trainees will be provided free accommodation and free boarding at hostel during the period of training in respect of residential training programs and the participants for the training programs conducted on non-residential basis will be provided mid-morning and mid-evening tea/coffee and working lunch. CPTI also arranges training programs to trainers at reputed institutions like Dr. MCR Human Resource Development Institute of Andhra Pradesh, ASCI, ESCI, and IPE for importing training in a scientific method. Before restructure of erstwhile APSEB, Central Power Training Institute also met all the training needs of Generation wing. In addition to above it monitor the training activities of Line Staff Training Centers (LSTCs). LSTCs arrange training programs to sub-staff like linemen, Assistant Linemen etc. The Central Power Training Institute arranges and executes deputation of employees belonging to the APCPDCL for attending Seminars, Workshops, Symposia, Conferences etc., at the all India level and Abroad.

Identify the training needs

The training needs are identified based on the following parameters:

- Under performance by sub-ordinates, evidenced by low output, lack of initiative, bad decisions or general incompetence.
- The acquisition of new and unfamiliar equipment or the introduction of new working methods.
- Perusal of sub-ordinates' job specifications to identify gaps between what they are doing and what they should be doing.
- Analysis of strengths and weakness of the organization.

CONCLUSION

Thus, Training is the process of enhancing the skills, capabilities and knowledge of employees for doing a particular job. Training process molds the thinking of employees and leads to quality performance of employees. It is continuous and never ending in nature. APTRANSCO provides training new candidates who join an organization. The training familiarizes them with the organizational mission, vision, rules and regulations and the working conditions. The existing employees are trained to refresh and enhance their knowledge. If any pupations and amendments take place in technology, training is given to cope up with those changes. For instance, purchasing a new equipment, changes in technique of production, computer impartment. The employees are trained about use of new equipment's and work methods. When promotion and career growth becomes important. Training is given so that employees are prepared to share the responsibilities of the higher level job.

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