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A STUDY ON FOREIGN EXCHANGE RISK MANAGEMENT PRACTICES OF SELECT SOFTWARE COMPANIES

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ABSTRACT

Globalization and the economic liberalization have enabled the Indian Software Industry to grow exponentially at over fifty percent per year since 1991. From about USD hundred and fifty million in the early 1900's, the Indian software exports have crossed USD hundred billion dollar in the year 2013. It has been a remarkable success story. The growth in Indian software industry has been spurred mainly by the growth in export market demand. The export market is concentrated in the US and Europe. Almost two-thirds of the software revenue of Indian companies accrues from export sales in the US market. The Indian software industry expects to contribute about seven percent to annual GDP and create around fourteen million employment opportunities both directly and indirectly by Financial Year 2015 and expects to cross USD two hundred and twenty five billion revenues by 2020. Therefore, in view of the above facts foreign exchange risk management is a primary concern of software companies. In this regard, this study attempted to assess and describe the foreign exchange risk management practices of select software companies based in Hyderabad.

Keywords: Foreign Exchange Risk Management, Software Companies, & Chi-Square Analysis.

INTRODUCTION

Globalization and the economic liberalization have enabled the Indian Software Industry to grow exponentially at over fifty percent per year since 1991. From about USD hundred and fifty million in the early 1900's, the Indian software exports have crossed USD hundred billion dollar in the year 2013. It has been a remarkable success story. The success of Indian software industry can be attributed to low cost

advantage, large pool of talented and English speaking professionals, and the high quality service offerings.

India continues to be the nerve-centre for global sourcing with over two-third of the Fortune 500 and a majority of Global 2000 firms leveraging global service delivery – now sourcing from India. The US and the UK remain the largest export markets (accounting for about sixty one percent and eighteen percent respectively, in 2007) the industry footprint is steadily expanding. Strong fundamentals of a large talent pool, sustained cost competitiveness and an enabling business environment have helped establish India as the preferred sourcing destination. (NASSCOM, 2008).

The industry has played a significant role in transforming India's image from a slow moving bureaucratic economy to a land of innovative entrepreneurs and a global player in providing world class technology solutions and business services. The industry has helped India transform from a rural and agricultural based economy to a knowledge based economy. With a young demographic profile, where over three and half million graduates and post-graduates are added annually to the talent base, no other country offers a mix and scale of human resources. India enjoys a cost advantage of around sixty to seventy percent as compared to source markets. (NASSCOM, 2009).

Indian Software Industry is primarily export oriented, which earns nearly two-third of its revenues through Software exports. Since India does not have a high domestic market, most of the growth involves export to US and European countries. India exports software and services to more than one hundred countries and over half of Fortune 500 companies outsource their software requirements from India. Nearly fifty-six percent of total Indian software services are exported to North America, thirty-one percent of software services are exported to European Union countries and the remaining thirteen percent are exported to Middle-East and Asian Countries.

INDIAN SOFTWARE INDUSTRY

The origins of the Indian software industry dates back to 1970 with the entry of TCS into the domain of outsourced application migration work. According to Mr. Ramadorai, it began in early seventies' with the main frame manufacturer, Burroughs asking its Indian sales agent TCS, to export programmers for installing system software for a US client. The Indian Software Industry has successfully faced and overcome many challenges during its brief history and today it is faced with quite a few headwinds that threaten its pace of growth and its move towards the USD two hundred billion plus exports goal it has set for itself for the year 2020.

The Indian Software Industry has not only been among the fastest growing industries globally, it has played a key role in transforming India from a largely inward looking economy to an emerging knowledge power that is today perceived as being one of the more dynamic and entrepreneurial in the world. The growth in Indian software industry has been spurred mainly by the growth in export market demand. The export market is concentrated in the US and Europe.

Almost two-thirds of the software revenue of Indian companies accrues from export sales in the US market.

The rise of the software and services industry during the 1990s represents one of the most spectacular achievements of the Indian economy. The industry has grown at an incredible rate of fifty percent per annum over the past few years, is highly export oriented, has established Indian as an exporter of knowledge intensive services, and has brought in a number of other spillover benefits such as creating employment and a new pool of entrepreneurship. (Kumar, 2001).

In 1991, the Indian Software Industry was modest sized, employing twelve thousand persons, and contributing an insignificant part of GDP. Between 2000 and 2004, it had emerged as the largest incremental contributor to GDP, with six percent coming from this sector. Over ninety-five percent of the absolute growth in foreign exchange inflows in the service sector during this period is estimated to have come from the software and BPO industries alone.

In the financial year 2009, as a proportion of national GDP, the Indian software industry revenues have grown from mere one percent in financial year 1998 to an estimated six percent and software services accounted for over ninety nine percent of the total exports, reached USD forty seven billion and employed over one and half million professionals. Moreover, compared to 2009 in the financial year 2012, as a proportion of national GDP, the Indian software sector revenues have grown to an estimated seven and half percent and its share of total Indian exports reached to about twenty five percent.

The Indian software industry expects to contribute about seven percent to annual GDP and create around fourteen million employment opportunities both directly and indirectly by Financial Year 2015 and expects to cross USD two hundred and twenty five billion revenues by 2020. The software service exports were fastest growing at over nineteen percent compared to financial year 2011 with export revenue of USD forty billion, accounting for fifty eight percent of total exports.

The growth rate of the Indian Software Industry has been substantially higher than

the global software industry. India is the only one country in the world to register a growth rate of around fifty percent in the software industry (Kumar, 2001).

The Indian Software Industry has captured a significant portion of the world trade in Software services and it acts as complementary to the US Software Industry which accounts for nearly sixty percent of Indian Software Services exports. Studies conducted by the McKinsey Global Institute and other research outfits have also shown that moving “white collar” service work to countries with low labor costs such as India can be a win-win for both for US and India.

The Phenomenal growth of Indian Software Industry can be attributed to various steps taken by the Government to boost software exports such as simplifying procedures, tax concessions, establishment of Software Technology Parks (STPs), establishment of Special Economic Zones (SEZs), more liberal foreign investment policies, availability of second largest pool of English speaking technically competent manpower, proactive role of NASSCOM, locational time difference with the Western part of the world enabling round the clock development.

Indian IT industry has built-up a reputation for innovation in service delivery and superior quality management through internationally accepted methodologies such as CMMi and Six Sigma. Indian Software is extremely of good quality with relatively low cost. As of December 2003, India has sixty five Software Engineering Institute, Capability Maturity Model (SEI CMM) Level 5 software firms. Over half of the world's CMM Level 5 software firms are in India (Bhatnagar, 2001). Indian software industry which has been largely export oriented, became sufficiently global in its outlook. More than two hundred Indian software companies have set up more than five hundred overseas subsidiaries or offices, of which around three hundred are in North America, hundred in Europe and close to hundred in Asia excluding India.

Moreover, the software companies have been facing problems of volatile exchange rates, lack of means and information to hedge export risks, lack of market intelligence, and lack of skill and technical expertise in handling foreign exchange risk.

LITERATURE REVIEW

Riad Al-Momani and Mohammad R. Gharaibeh (2008) studied empirically the foreign exchange risk management practices of large Jordanian non-financial firms. The results of the study showed that sixty six percent of the sample firms managed foreign currency risk with natural hedging techniques and usage of financial derivatives was not commonly practiced by Jordanian firms.

Sathya Swaroop Debasish (2008) conducted an industry-wide cross-sectional study on foreign exchange risk management practices and derivative usage by large non-banking Indian firms. The study reported that fifty three percent of total sample companies used derivatives.

Per Alkeback, Niclas Hagelin, and Bengt Pramborg (2006) investigated Swedish non-financial firms usage of derivatives. The findings of the study include that OTC forwards and swaps are the most popular derivatives instruments among Swedish firms.

Joshua Abor (2005) reported on the foreign exchange risk management practices among Ghanaian firms involved in international trade. The results indicated that close to one-half of the firms do not have any well-functioning risk management system and also showed that just above forty-five percent of the sample firms, have neither department nor any one responsible for managing their foreign exchange risk.

Bengt Pramborg (2004) used survey evidence to compare Swedish and Korean firms' foreign exchange risk management practices. The findings suggested that there were similarities and notable differences between the hedging practices of firms in both the countries.

Timothy J Brailsford, Richard A Heaney and Barry R Oliver (2003) studied Australian Commonwealth companies and statutory authorities concerning their practice and attitudes towards the use of derivative instruments for risk management. The study found that companies primarily used forward contracts followed by options, swaps, and futures.

P.A. Belk (2002) reported the results obtained from three contemporaneous in-depth studies conducted with multinational corporations in the UK, the US and the Germany. The study concluded that a very few UK based companies actively accepted the risks to increase their rewards.

Marc J. K. De Ceuster, Edward Durinck, Eddy Laveren and Jozef Lodewyckx (2000) documented the survey results of large Belgium non-financial firms about their derivatives usage. They have found that around sixty six percent of total sample firms used derivatives. The most important reason for hedging was earnings volatility.

Ali Fatemi and Martin Glaum (2000) surveyed German non-financial firms listed on the Frankfurt Stock Exchange with a minimum sales volume of DM 400 million in the year 1997. The study results have showed that the sample firms were most concerned about industry or competitive risk followed by financial risk among the

different types of risks they have faced.

Antti Hakkarainen, Nathan Joseph, Eero Kasanen and Vesa Puttonen (1998) employed a questionnaire survey and financial accounting data to study the foreign exchange exposure management practices of large Finnish industrial firms. Only thirty three per cent of the firms hedged partially with a view to generate profits and twenty two percent of the firms have not maintained open foreign exchange positions which were exactly offset by underlying exposure.

Gordon M. Bodnar, Gregory S. Hayt and Richard C. Marston (1998) surveyed financial risk management practices and derivatives usage of US non-financial corporations. The study reported that fifty percent of total sample firms used derivatives. The derivative usage was highest among large firms with eighty three percent followed by medium and small firms.

Henk Berkman, Michael E. Bradbury and Stephen Magan (1997) surveyed the derivatives usage of New Zealand public companies listed on New Zealand Stock Exchange and compared the results with the earlier surveys conducted on US firms. The New Zealand firms are more active derivatives users relative to their size.

STATEMENT OF THE PROBLEM

In India over eighty percent of information technology companies are small and medium enterprises. The looming problems of SMEs are Indian rupee appreciating, lack of means and information to hedge export risks, lack of market intelligence, lack of financial patronage etc., (Upadhyay, 2007). As more than sixty percent of their revenues come from North America and about ninety percent of Indian software exports are invoiced in US dollars. Thus, there is a need to study and evaluate the current foreign exchange risk management practices of these small and medium software companies.

OBJECTIVES OF THE STUDY

- To examine and describe the current foreign exchange risk management practices of selected software companies.
- To determine the association between firm specific variables and firm's foreign exchange risk identification, policy, and management variables.

HYPOTHESIS

Firm's foreign exchange exposure management practice variables are independent of firm specific variables.

SAMPLE AND SAMPLE DESIGN

The software companies included in the study, are enlisted in the ACE-Equity database and have registered office in Hyderabad. The 38 sample software companies included in this study were randomly selected based on significant degree of foreign involvement.

DATA AND METHODOLOGY

To capture information about the current foreign exchange risk management practices, a questionnaire schedule has been designed and unstructured interviews were held with the executive or officials' associated with the treasury or finance department of sample companies. The questions in the questionnaire schedule were adapted from the "1998 Wharton Survey of Financial Risk Management by US Non-Financial Firms" conducted by Bodnar et al.

The data was analyzed using percentages and chi-square statistical technique.

DATA ANALYSIS AND INTERPRETATION

Descriptive statistics

S. No	Variable	Attributes	No. of Firms	%
1	Type of the Firm	Parent Company of a Foreign Subsidiary	23	60.5
		Subsidiary of a Foreign Parent Company	6	15.8
		Independent Company	9	23.7
2	Form of Ownership	Foreign Owned	6	15.8
		Indian Owned	32	84.2
3	Sales Revenue	Less than INR 100 Mn	18	47.4
		INR 100 Mn - 500 Mn	16	42.1
		More than INR 2000 Mn	4	10.5
4	Firm Size	Small Firm	34	89.5
		Large Firm	4	10.5
5	Export Ratio	More than 25 - 50 Percent	11	28.9
		More than 50 -75 Percent	5	13.2
		More than 75 Percent	22	57.9
6	Degree of Foreign Involvement	Low	11	28.9
		Medium	5	13.2
		High	22	57.9

7	Proportion of Foreign Expenditure to Total Expenditure	Nil	7	18.4
		Less than 10 Percent	26	68.4
		More than 25 - 50 Percent	1	2.6
		More than 50 Percent	4	10.5

Source: Data Analysis

Table 1

Test of Independence between Firm's Foreign Exchange Exposure Management Practice Variables and Firm Specific Variables Using Chi-Square

	Firm's Management Practice Variables	Firm Specific Variables			
		Type of the Firm χ^2 (df, p-value)	Owner-ship Status χ^2 (df, p-value)	Firm Size χ^2 (df, p-value)	DFI χ^2 (df, p-value)
FX Exp Identification Variables	Management of Translation Exposure	42.071*** (6, .000)	13.826*** (3, .003)	4.471 (3, .215)	21.399*** (6, .002)
	Reasons for Managing Translation Exposure	35.110*** (6, .000)	12.214*** (3, .007)	4.479 (3, .214)	13.117** (6, .041)
	Management of Transaction Exposure	28.386*** (4, .000)	24.454*** (2, .000)	1.009 (2, .604)	2.905 (4, .574)
	Sources of Transaction Exposure	27.013*** (2, .000)	26.719*** (1, .000)	2.254 (1, .133)	1.462 (2, .481)
	Forecast of future foreign exchange exposure	11.265** (4, .024)	10.269*** (2, .006)	4.661 (2, .097)	8.683 (4, .070)
	Management of Economic Exposure	32.085*** (2, .000)	31.554*** (1, .000)	1.009 (1, .315)	0.010 (2, .995)
	Types of Exposures Identified	34.076*** (2, .000)	9.797*** (1, .002)	3.251 (1, .071)	10.105*** (2, .006)

FX Exp Policy Variables	Policy on Translation Exposure	38.000*** (6, .000)	10.925*** (3, .012)	10.697*** (3, .013)	13.700** (6, .033)
	Policy on Transaction Exposure	4.471 (4, .346)	0.838 (2, .658)	38.000*** (2, .000)	3.576 (4, .466)
	Policy on Economic Exposure	20.175*** (2, .000)	19.978*** (1, .000)	1.009 (1, .315)	2.187 (2, .335)
	Coverage of Translation Exposure	14.457** (6, .025)	4.156 (3, .245)	28.562*** (3, .000)	7.931 (6, .243)
	Coverage of Transaction Exposure	9.742 (8, .284)	6.526 (4, .163)	7.664 (4, .105)	3.022 (8, .933)
	Factors driving Firm's Fx Exposure Management	38.000*** (2, .000)	38.000*** (1, .000)	0.838 (1, .360)	0.533 (2, .766)
	Objectives of Firm's FERM	10.162 (6, .118)	1.396 (3, .706)	8.122** (3, .044)	10.446 (6, .107)
	Firms' Delegation of Authority to enter Fx Transactions	38.000*** (2, .000)	38.000*** (1, .000)	0.526 (1, .468)	0.533 (2, .766)
	Firms' Delegation of Authority to hedge Fx Transactions	38.000*** (4, .000)	38.000*** (2, .000)	0.838 (2, .658)	1.131 (4, .889)
	Type of Policy Adoption on Translation Exposure	30.388*** (4, .000)	10.925*** (2, .004)	3.019 (2, .221)	11.824** (4, .019)
	Revision of Firm's FERM Policy	8.833** (2, .012)	8.833*** (1, .003)	3.901** (1, .048)	0.427 (2, .808)
	Sources of Firm's Foreign exchange Forecast	18.11*** (4, .001)	5.024 (2, .081)	1.859 (2, .395)	11.975** (4, .018)

Fx Exp Mgmt Variables	Choice of Internal Techniques used	27.664*** (6, .000)	18.374*** (3, .000)	19.798*** (3, .000)	8.100 (6, .231)
	Factors influencing Choice of Internal Techniques usage	21.784*** (6, .001)	18.250*** (3, .000)	23.843*** (3, .000)	10.119 (6, .120)
	Choice of External Techniques used	6.418 (8, .601)	1.691 (4, .792)	38.000*** (4, .000)	5.465 (8, .707)
	Factors influencing Choice of External Techniques usage	14.024 (8, .081)	7.611 (4, .107)	2.903 (4, .574)	15.928** (8, .043)
*** Significant at 1%					
** Significant at 5%					

Source: Data Analysis

Table 2

FINDINGS

It was found that ninety percent of the software companies were small companies and around forty two percent of companies had export ratio of upto seventy five percent and rest of the fifty eight percent of companies had export ratio of more than seventy five percent, which signifies that large number of Indian software companies are significantly dependent on foreign sales.

It was found that only fifty percent of sample companies managed translation exposure all the time. The transaction exposure was managed by eighty one percent of companies all the times which signifies that a large number of companies' concern was transaction exposure.

There were about twenty four percent of companies which had a policy of leaving translation exposure uncovered and around forty five percent of companies had a policy to leave transaction exposure uncovered.

The results indicated that forty two percent of companies had passive policy on translation exposure and forty five percent of companies had active policy on transaction exposure and a large number of companies representing eighty two percent had a passive policy on economic exposure. It was found that forty five percent of sample companies had used one of the three internal hedging techniques such as netting, leading and lagging and centralized settlements.

The type of the firm and firm's foreign exchange identification and management of foreign exchange variables were found to be associated. Moreover, type of the firm variable was also significant with all the other foreign exchange policy and management variables.

The type of the firm was not significant with two of the management practice variables viz., choice of external techniques used and factors influencing the choice of external techniques used indicating no association.

The form of ownership was found to be significant with all the identification variables indicating that there is an association between form of ownership and firm's identification variables. It was also significant with all the policy variables indicating association.

The firm size was not significant with any of the firm's identification variables. It was significant only with three of the firms' foreign exchange policy variables.

The firm size was significant with all the management practice variables indicating that there is an association between firm size and management practice variables.

The degree of foreign involvement variable was significant with firm's identification variables such as management of translation exposure and types of exposures identified indicating association.

Firm's foreign exchange risk management variables such as choice of external techniques used and factors influencing choice of external techniques usage were independent of firm's specific variables.

CONCLUSION

We have concluded that a large number of firms are managing transaction exposure actively. The prime objective of foreign exchange risk management of these firms was to minimize foreign exchange losses and they take cues from banks with respect to foreign exchange rate forecasts. As most of the firms lacked requisite skill and knowledge about derivative contracts, hence they used internal hedging techniques such as netting and leading and lagging of payments. There was an association between firm size and the foreign exchange management practice variables which implies that size does matter to enter into derivative contracts.

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A STUDY ON CUSTOMERS SATISFACTION WITH REFERENCE TO MOBILE SERVICE PROVIDERS

Mr. RAJKUMAR, MBA

Research Scholar.

ABSTRACT

Advertising has become as much a part of our lives as breathing .When you turn on the TV, open your mailbox , drive down the street , pick up your home ,or surf the Internet you come face to face with some facet of advertising . “How Advertising Informs To our Benefit”,John E.Calfee explores the concept that .Advertising has a profound effect on our society as a whole .It has developed into one of our cultures primary sources for information, solutions, ideas, and entertainment. The advertising is shows the impact on consumers regarding the product whether he/she may to buy or not. if advertising is shows positive impact on the consumer, then consumer shows willing to buy product. So In this context the advertising is the sources for the selling item and gaining margins .In my present paper, I would like to find the concept of advertising and the impact on selling product of the company .

Keywords : Advertising, Consumer Behavior, Product, Buying and Selling.

INTRODUCTION

John E.Calfee explores the concept that “advertising provides society with useful information that we might not otherwise receive”. I would have to agree that advertising has a profound effect on our society as a whole. It has developed into one of our cultures primary sources for information, solutions, ideas, and entertainment. In view of the fact that advertisers reach a broad spectrum of people, by using resources such as television, magazines, newspapers, billboards, the Internet, etc. it is easy to see how they can have such an impact on society. For Instance, “In 1984, to increase consumer awareness and consumption, Kellogg’s started using health claims as part of their advertising campaigns” . Other markets soon followed suit with products ranging from bread to toothpaste. Rapidly advertising became a medium for providing essential health information to consumers, who for one reason or another, may never have received this information, proving Calfree’s theory, “advertising is necessary for consumer welfare”. Therein lies the love-hate relationship consumer’s have with advertising. We live in a busy, fast-paced society. Therefore, advertisers must catch our attention quickly, must appeal to our emotions, communicate

a products benefit in a few quick words, and create a lasting impression if they want to be affective. Promotion is true that products are manufactured to satisfy the needs of the consumers.. But alone is not enough. Today the responsibility of the manufacturers does not cease with physical production whatever may be the nature of the product. The present day marketers are consumer oriented where it is the duty of the manufacturers to know from where, when, how and what price the products would be available. Successful marketing consists in offering the right product of the right price of the right place (and time) with right promotion.

In course of time, various activities came into vogue designed particularly to help easy sale of goods. These activities commonly known as promotional Mix. The marketing communication Mix also called as the "Promotion Mix" consists of four major tools.

1. Advertising.
2. Sales Promotion
3. Publicity
4. Personal Selling

Generally marketing communication is undertaken to pass on the message of a product or sale to the ultimate consumers. Thus, there are three elements in this process.

The purpose of advertising is motivating but to sell something a product, a service or an AIRTEL. The real objective of advertising is effective communication between producers and consumers. In other words the ultimate purpose all advertising is "Increased awareness" list of the following specific objectives of advertising.

The process of selling is ensured by personal selling supposed by advertising and sales promotion. Of these three methods personal selling occupies the predominant role mainly because of the personal element involves. It may be described as a personal source rendered to the community in connection with marketing of goods. It is a marketing process with which consumers are personally persuaded to by goods and services offered by a manufacturer. The most powerful element in the promotional mix is salesman ship, is not something very new. Even centuries ago salesman ship was practiced in Greece and Rome.

Advertising is any paid form of non personal presentation and promotion of ideas, goods or services by an identified sponsors.

MOBILE BILLBOARD ADVERTISING

Mobile billboards are generally vehicle mounted billboards or digital screens . These can be on dedicated vehicles built solely for carrying advertisements along routes preselected by clients , they can also be specially equipped cargo trucks or, in some cases , large banners strewn from lanes. The billboards are often lighted : some being backlit, and others employing spotlights . Some billboard displays are static, while others change: for example, continuously or periodically rotating among a set of advertisement. Mobile displays are used for various situations in metropolitan areas throughout the world , including : Target advertising , one-day , and long-term campaigns , Conventions , Sporting events, Store openings and similar promotional events , and Big advertisements from smaller companies.

NEED FOR THE STUDY

Advertising forms an important communication tool. It is said that no product or service is sold effectively, without the aid of this important communication mix called advertising. Advertising aims at attracting attention of a potential customer creating an interest , developing a desire and leading to action (AIDA Model).The Era globalization and the Governments call for 51% in FDI has opened new avenues for competition and sustenance companies now need to rethink its advertising strategies to remain in the market. Customer satisfaction will definitely be the key to winning and retaining existing and potential customers. Hence, the present study gains relevance and is a humble beginning to study the advertising impact on customers at Mobile Networks .

SCOPE OF THE STUDY

The study aims to measure satisfaction level of the customers regarding On Mobile Marketing networks. The scope of Article is confined to satisfaction of levels of dealers in across the country and particularly in Telangana with respect On Mobile Network. Detailed explanation in not possible because of analysis done regional basis, but not at national levels basis . The time period consumed for analysis was only one and half month, with a count of hundred customers .

OBJECTIVES OF THE STUDY

- Understand the customers preferences and needs of Airtel products.
- Analyze the factors influencing the choice of selection of Airtel products.
- Gain an insight into the satisfaction levels of the services of the company.
- Suggest relevant measures to improve the customer satisfaction levels of the co

RESEARCH METHODOLOGY

The study involved both primary and secondary sources. A questionnaire consisting of questions were framed, consisting of both closed ended and open ended frame. These questions were administered to 100 respondents to elicit their views customer satisfaction levels of Mobile Networks.

The secondary sources included relevant books, journals and web sites on the related topic of customer satisfaction.

In Indian Customers Are Using Networks.

Operator	Subscriber base
Bharti Airtel	118,864,031
Reliance Communications	93,795,613
Vodafone Essar	91,401,959
BSNL	62,861,214
Idea Cellular	57,611,872
Tata Teleservices	57,329,449
Aircel	31,023,997
MTNL	4,875,913
MTS India	3,042,741
Loop Mobile India	2,649,730
Uninor	1,208,130
All India	525,147,922

ANALYSIS

1. Who is your Mobile Service Provider?

- a) Airtel
- b) Reliance
- c) Idea
- d) Vodafone
- e) Others

S.No	Service Providers	No. of Respondents	Percentage
1	Airtel	36	36
2	Reliance	24	24

3	Idea	20	20
4	Vodafone	12	12
5	Others	8	8
Total No. of Respondents		100	100%

2. Do you think the Tariff plans of the Airtel are affordable?

- a) Yes
- b) No

S.No	Tariff	No. of Respondents	Percentage
1	Yes	85	85
2	No	15	15
Total No. of Respondents		100	100%

3. Who influenced you buying the Airtel?

- a) Self
- b) Family
- c) Friends
- d) Advertisement

S.No	Influenced	No. of Respondents	Percentage
1	Self	12	12
2	Family	24	24
3	Friends	20	20
4	Advertisement	36	36
Total No. of Respondents		100	100%

4. What are the reasons for buying the Airtel?

- a) Tariff plans
- b) Service
- c) Brand Image
- d) Network

S.No	Crucial	No. of Respondents	Percentage
1	Tariff plans	40	40
2	Services	22	22
3	Brand Image	30	30
4	Network	8	8

Total No. of Respondents	100	100%
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5. How did you know about Airtel ?

- a) TV Channel
- b) Print Media
- c) Electronic Media
- d) Radio

S.No	Mobile Used for	No. of Respondents	Percentage
1	TV Channel	44	44
2	Print Media	9	9
3	Electronic Media	45	45
4	Radio	2	2
Total No. of Respondents		100	100%

6. How do you see an Advertisement Tool?

- a) Effective
- b) Good
- c) Better
- d) Depends on The Advertisement content and presentation.

S.No	How long You will use	No. of Respondents	Percentage
1	Better	2	2
2	Good	8	8
3	Effective	35	15
4	Depending On The advertisement Content and presentation.	65	75
Total No. of Respondents		100	100%

7. Rate your satisfaction for the service provided by the organization?

- a) Excellent
- b) Good
- c) Average
- d) Poor

S.No	Satisfaction level at service station	No. of Respondents	Percentage
1	Excellent	7	40
2	Good	61	22
3	Average	24	30
4	Poor		8
Total No. of Respondents		100	100%

8. Rate your satisfaction for the Advertisement providing?

S.No	Satisfaction at advertisement	No. of Respondents	Percentage
1	Excellent	61	40
2	Good	24	30
3	Irritation	10	15
4	Not Interest	5	15
Total No. of Respondents		100	100%

FINDINGS

- Majority customers told that they are impacting by Advertisements.
- Majority customers said that BSNL Advertisements do not know Because BSNL not use advertisements widely.
- The company is advertisement is not fair and is not reaching to all people.
- AIRTEL is not concentrating on the promotional activities for the customers and for the retailers.
- AIRTEL is not giving gifts for the customers.
- The company is not concentrating on other types of advertising media.
- Network is not reaching to rural villages.
- Talk time is very less in Prepaid Cards.
- The company is not conducting road shows so as to get awareness in the public about the product and services.
- Improve the marketing personnel and they should give full knowledge to the customers and retailers.

- AIRTEL must improve their personnel selling direct contacting customers to give awareness of their products.

CONCLUSION

The promotion of any services can be successfully executed by creating awareness through word of mouth and by maintaining the service according to Advertising and Sales Promotional Activities. The services provided by Airtel are far superior as compared to other networks such as IDEA, BSNL, and VODAFONE...etc. As the Airtel coverage is the maximum among customers and due to its long standing in the market and its popular promotional strategy from time to time. Airtel continues to be the popular choice among the customers in INDIA, thus it needs to think of its position in the market in future too.

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CHANGING TRENDS IN TIME MANAGEMENT – A CASE STUDY

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ABSTRACT

Time Management is the act or process of planning and exercising conscious control over the amount of time spent on specific activities, especially to increase effectiveness, efficiency or productivity. Time Management may be aided by a range of skills, tools and techniques. Wide scope of activities such as planning, allocating, setting goals, delegation, analysis of time spent, monitoring, organizing, scheduling and prioritizing. Time Management system is a designed combination of processes, tools techniques and methods.

INTRODUCTION

Time is a scarce resource. It is irreplaceable and irreversible. Time management is a set of principles, practices, skills, tools, and systems that work together to get more value out of time with the aim of improving the quality of the life. Time Management is the art of arranging, organizing, scheduling, and budgeting one's time for the purpose of generating more effective work and productivity. There are an abundance of books, classes, workshops, day-planners, and seminars on time management, which teach individuals and corporations how to be more organized and more productive. Time management is also crucial for students, teachers, factory workers, professionals, and home makers. An important aspect of time management is planning ahead. Sometimes, successful time management involves putting in more time at the outset in order to reorganize one's life. Though many time management books and teachings differ in their suggestions, most agree that the first step in efficient time management is to organize the workspace or home. Even if one's schedule is well-ordered, but the office and filing system are a disaster, time will be wasted trying to work efficiently in a disorderly place. In business we are taught that in order to acquire time we must first plan for it, then, and only then, we will have the time that we need at the point when it is needed. Again, this is a very simplistic view of how to acquire time but it is a principle that can be used in all areas of time control, including one's personal life.

When we know how to manage the time, gain control. Rather than busily working here, there, and everywhere (and not getting much done anywhere), effective time management helps us to choose what to work on and when. This is essential to achieve anything of any real worth.

OBJECTIVES

- To know meetings conducted are productive and are done on schedule.
- Use of time management system provided by the organization.
- Is time one of the main resources of the manager.
- Planning, Directing, Organizing and communication are the management functions related to time management.
- To identify the causes for stress.
- To know employees have good work life balance.
- To know are the employees good in managing the time in organization.
- To know how to use the time right now

METHODOLOGY

The method of research study is descriptive as conclusion drawn from the information collected. A simple random sampling technique was adopted.

Data are obtained by a study specifically designed to fulfill. The data needs of the problem at hand. Such data are original in character and are generated in large number are surveys conducted mostly by government and also by some individual's institutions and research bodies.

Sample size is 60

Time is capital. When it is saved it results into saving of fixed overhead cost reducing the final total and per unit cost of output. The income suffers when time is wasted. Time is predetermined and identical for everyone. It elapses at a standardized rate. Everyone has 24 hours a day, seven days a week, and 52 weeks a year accessible to him or her. Amount of time is not important. Rather how do one pay out or waste it; how do one administer it is important.

Time can be managed for future only. One has to plan today if one wants to manage time tomorrow. It is of no use to plan today for yesterday's time spent.

Time may be divided into two parts- committed time and discretionary time. The former cannot be managed. It has to be accepted as a restraint or constraint in time scheduling. One can manage discretionary part of time only.

Time Management are

- Planning – weekly planning, daily planning.
- SMART goals.
- Work life balance.
- Urgent and important matrix
- How to make use of time right now
- Organizing the workspace
- Managing the meetings
- Stress management

Planning

A useful technique in managing and planning the time effectively is a weekly plan. This gives an overview of the tasks that will need completing each week.

- A priority = high value goals (urgent activities)
- B priority = medium value goals (important activities but not urgent)
- C priority = low value goals (activities without deadlines)

Priorities change so it's worth noting that something that might be a B3 this week could over time become an A1 so it is important that plans are regularly monitored and updated.

Smart Goals

A useful way of making goals more powerful is to use the SMART technique. While there are plenty of variants, SMART usually stands for:

- S - Specific
- M - Measurable
- A - Attainable
- R - Relevant
- T - Time-bound

Stress

On the one hand, good time management is a critical element of effective stress management. Time management is probably the number one tool for managing stress at its sources. Get organized, plan ahead, stop procrastinating, clarify the priorities, and delegate effectively to be overwhelmed by the pre-deadline stress. Even without advanced relaxation techniques and are more likely to get ahead in balancing of the work and family life.

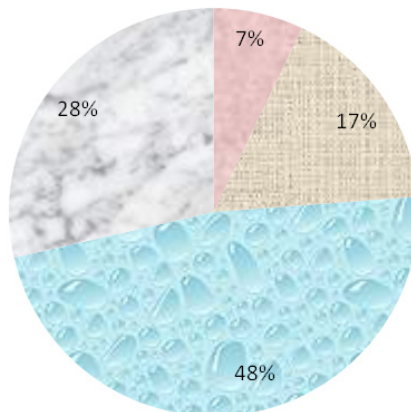
On the other hand, stress management is an essential component of effective time management. Many people cannot completely avoid the sources of their stress, and an overwhelming stress can block their ability to think and perform. In such situations stress management techniques, including relaxation techniques, can be critical for getting unstuck and staying effective.

ANALYSIS

Time management

Responses	Number of respondents	Percentage of respondents (%)
Strongly agree	6	10
Strongly disagree	4	7
Agree	26	43
Disagree	24	40

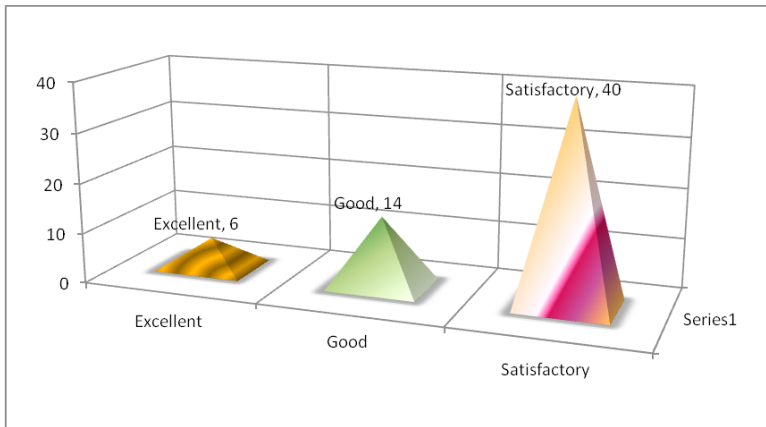
■ Excellent ■ Good ■ Satisfactory ■ Bad



The survey reveals that 10% of employees strongly agree, 7% of employees strongly disagree, 43% of employees agree and 40% of employees disagree, that time management is strictly maintained.

The chances of securing control of your time

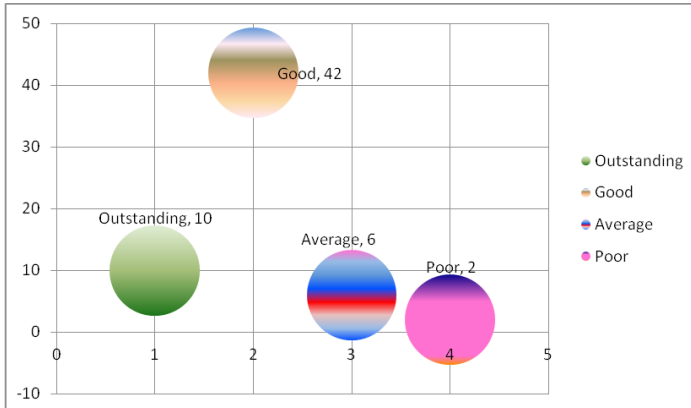
Responses	Number of respondents	Percentage of respondents (%)
Excellent	6	10
Good	14	23
Satisfactory	40	67



10% of employees feel excellent, 23% of employees feel good, and 67% of employees feel satisfactory, in avoiding time wasters and securing control of their time.

Do you manage time effectively

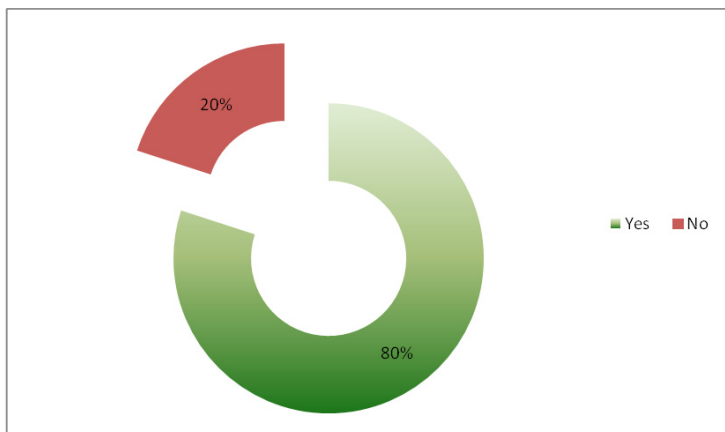
Responses	Number of respondents	Percentage of respondents (%)
Outstanding	10	17
Good	42	70
Average	6	10
Poor	2	3
		100



17 percent of employees feel that they are outstanding in managing time effectively, 70 percent feels that they are good, 10 percent feel they are average and 3 percent of them feel that they are poor in managing their time effectively.

Aware of time management

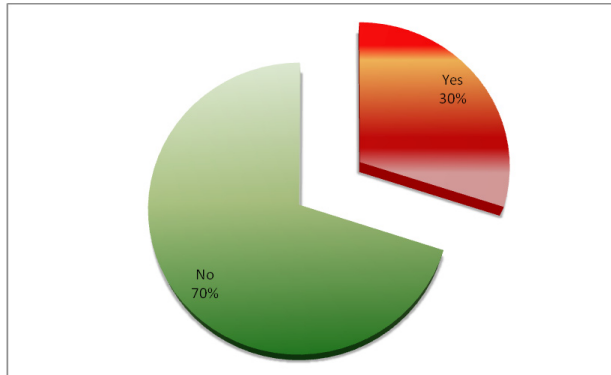
Responses	Number of respondents	Percentage of respondents (%)
Yes	48	80
No	12	20
TOTAL	60	100



80 percent of employees say that they are aware of the time management and 20 percent say that they are not aware of time management.

Personal problems in managing work in time

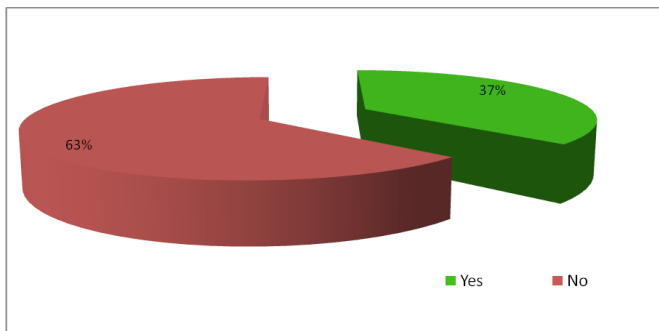
Responses	Number of respondents	Percentage of respondents (%)
Yes	18	47
No	42	53



30 percent of the employees say that they face stress or personal problems in managing work in time and 70 percent say they don't face any stress or personal problems in managing work in time

The time management system provided by the organization

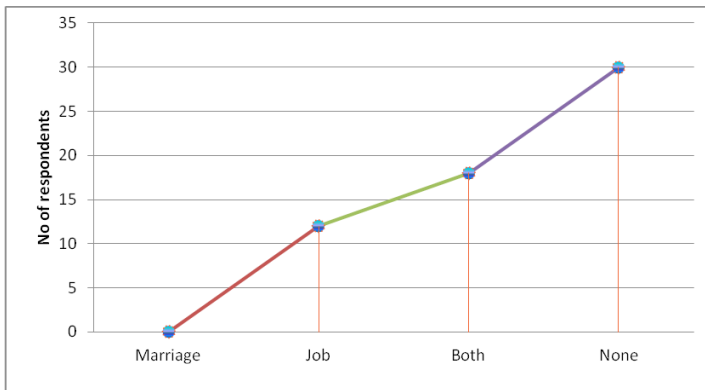
Responses	Number of respondents	Percentage of respondents (%)
Yes	22	36.7
No	38	63.3
TOTAL	60	100



37 percent of employees say that they use the time management system provided by the organization and 63 percent of them say that they do not use any of the time management system provided by the organization.

What causes more stress

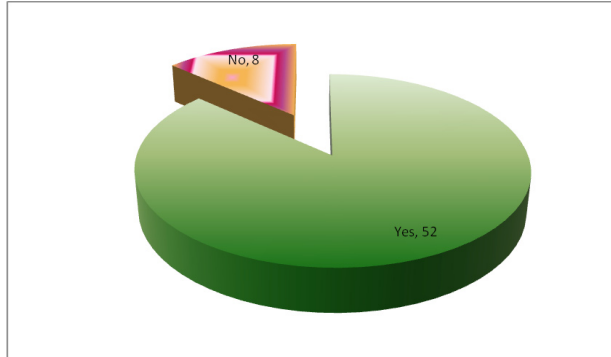
Responses	No of respondents	Percentage of respondents (%)
Marriage	0	0
Job	12	20
Both	18	30
None	30	50



20 percent of the employees say that job causes more stress, 30 percent say marriage and job causes stress and 50 percent of the employees say that neither marriage nor job causes stress.

Managing the time in the organization

Responses	Number of respondents	Percentage of respondents (%)
Yes	52	86.7
No	8	13.3
TOTAL	60	100



86.7 percent of the employees feel that managing the time in the organization is good and 13.3 percent feel that managing the time in the organization is not good.

FINDINGS

- The time management system is appreciated by most of the employees.
- Chances of securing control of the time by avoiding time wasters are satisfactory.
- The employees are good in managing time effectively.
- The employees are aware of the time management.
- The employees do not face stress related or personal problems in managing work in time.
- The employees ever take sick leave to recover from working long hours.
- Employees' personal needs are attended reasonably.
- Time management is good and appreciable.

CONCLUSION

The study about its TIME MANAGEMENT system and an interaction with different sections of employees at different levels of the organization we could conclude that follows good time management system. Time management is good and appreciable. The employees working are aware of time management and also mostly avoid the time wasters to secure control of their time. The employees' personal needs are attended reasonably and the time management system provided by the organization is used by most of the employees. Face to face communication, communication through representatives and mass method are being used according to the situation. Additional time schedule is added to normal time to take care of personal needs and

fatigue.

Just as budgets in themselves don't improve spending habits, so time management seminars, books, or cassette tapes don't improve time-wasting habits. In the case of budgets, many people simply peruse them, smile or grimace, and then continue to do what they always do. They pinpoint the time wasting habits, reveal methods for improving the way of managing time, and suggest a strategy for getting more done in less time.

Unfortunately, most people make a half-hearted effort to try a few of the techniques suggested, achieve a small degree of success, and gradually revert to their original habits. Meanwhile, the seminar manuals, cassette tapes, action sheets, books and notes lie in disuse under their desk or in a bookcase or filing cabinet.

To change spending habits and keep costs in line, one must make permanent changes and doggedly persist in their efforts. So with time management; one must resolve to curb the flagrant spending of time. This involves effort, Persistence, Determination. Seldom does anything worthwhile come easily.

Don't look upon this training unit as a one-shot deal. Look at it as only the first step in a series of steps to gain permanent control of spending of time. The second step should be taken immediately, before let fly the materials aside. Schedule the time in the planner to put into action a few of the better suggestions. Devote at least one hour each day thereafter to changing forms, methods, materials, and reinforcing new behaviors.

Never squeeze a seminar or other training session between two business meetings or other obligations. Schedule enough time to do something with the information gleaned from the session. Seminars or cassettes cannot change behavior. But people can change their own behavior as a result of the material discussed. It requires that budget sufficient time for it.

Take the brief test to insure that we can recall some of the major points made in the course. Then review the material, and take action in the eight key areas that will keep organized. Set goals and priorities, plan and schedule. Write things down. Don't procrastinate. Don't be a packrat. Store the things in an orderly way. Work smarter, not harder; Keep working at it to build habits: good habits that will increase effectiveness. Not only can get more out of each day, will also get more out of life.

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CUSTOMER SATISFACTION WITH REFERENCE TO TWO WHEELERS – A STUDY ON HERO MOTORS

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ABSTRACT

Customer satisfaction, a business term, is a measure of how products and services supplied by a company meet or surpass customer expectation. There are three things that drive customer satisfaction are trust, transparency and togetherness. In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy.

INTRODUCTION

Customer satisfaction varies from person to person and product/service to product/service. The state of satisfaction depends on a number of both psychological and physical variables. As the definition makes clear, satisfaction is a function of perceived performance and expectation. If the performance does not match the expectation, the customer is dissatisfied. If the performance matches the expectation, the customer is satisfied. If the performance exceeds expectation, the customer is highly satisfied or delighted. Many companies are aiming for high satisfaction because customers who are just satisfied still find it easy to switch when a better offer comes to them. Those who are highly satisfied are much less ready to switch. High satisfaction or delight creates an emotional bond with the brand. The result is high customer loyalty. Traditionally it was thought that customers' happiness can be achieved by producing high quality products, where quality was defined by the company internal standards. However, it is now recognized that a company's competitiveness is jointly determined by its external quality which is the customers own judgment of the products and services of a company and internal quality. Many organizations have not got a clue about how the customers perceive the goods and services they supply. Customer's attitude to be that so long as people "buy" their products then the products must be accepted. My customer satisfaction program is designed to help you win and maintain customers for life. After all, satisfaction with customers usually leads to more business. Most companies lose 45% to 50% of their customers every five years, winning new customers can be up to 20 times more expensive than retaining

existing customers. We need to know what makes buyers and specifies choose one supplier rather than another. The data has been collected from both the primary data and secondary data. Primary data is collected by interviews. Secondary data consists of the information that already exists. This may be from sources like websites, news papers, magazines and other services. The major source for the interpretation is the questionnaire.

After the analysis and interpretation of the data it is found that there are more measures to be taken to improve the quality of the servicing. It is also found that the customers find difficulty when comes to the delivery of the vehicles after the servicing. The customers also suggested that working mechanism need to be improved.

Customer Satisfaction

Customer satisfaction is the degree to which customer expectations of a product or service are met or exceeded. Corporate and individual customers may have widely differing reasons for purchasing a product or service and therefore any measurement of satisfaction will need to be able to take into account such differences. The quality of after-sales service can also be a crucial factor in influencing any purchasing decision. More and more companies are striving, not just for customer satisfaction, but for customer delight, that extra bit of added value that may lead to increased customer loyalty.

According to Kotler “Customer satisfaction is the level of a person felt state resulting from comparing a products perceived performance in relation to the person’s expectations”. If performance exceeds expectations, the customers are highly satisfied or delighted. Smart companies aim to delight customers by promising only what they can deliver, then delivering more than they promise. Highly satisfied customers produce several for the company. Satisfied customers are fewer prices sensitive. They talk favorably to others about the company and its products and remain loyal for a longer period. However, the relationship between customer satisfaction and loyalty varies greatly across industries and competitive situations.

Customer satisfaction varies from person to person and product/service to product/service. The state of satisfaction depends on a number of both psychological and physical variables. As the definition makes clear, satisfaction is a function of perceived performance and expectation. If the performance does not match the expectation, the customer is dissatisfied. If the performance matches the expectation, the customer is satisfied. If the performance exceeds expectation, the customer is highly satisfied or delighted. Many companies are aiming for high satisfaction because customers who are just satisfied still find it easy to switch when a better offer comes to them. Those

who are highly satisfied are much less ready to switch. High satisfaction or delight creates an emotional bond with the brand. The result is high customer loyalty. The interaction between expectation and actual product performance produces satisfaction or dissatisfaction. Many marketers go beyond merely meeting the expectations of customers they aim to delight the customer. Customer satisfaction program is designed to help you win and maintain customers for life. After all, satisfaction with customers usually leads to more business. Most companies lose 45% to 50% of their customers every five years, winning new customers can be up to 20 times more expensive than retaining existing customers. We need to know what makes buyers and specifies choose one supplier rather than another.

Dissatisfied customer reacts differently. Whereas on average a satisfied customer tells 3 people about the good product experience, a dissatisfied customer grips to 11 people. Therefore a company would be wise to measure customer satisfaction regularly. Customer research has generally supported this approach, and it has been used to investigate customer dissatisfaction and complaint behaviors. Several generalizations about these have been offered.

1. Those who complain when dissatisfied tend to be members of more upscale socioeconomic groups than those who do not complain.
2. Personal characteristics including dogmatism and self-confidence are only weakly related to complaint behavior, if at all.
3. The severities of dissatisfaction or problem caused by the dissatisfaction are positively related to complaint behavior.

Susan Fournier and David Mick propounded balancing paradigm which argues that satisfaction should be studied more broadly than at the level of a single transaction. From this perspective, satisfaction is a more active and dynamic phenomenon that changes across time with usage and other situational factors.

What is Customer satisfaction?

Many organizations have not got a clue about how the customers perceive the goods and service they supply. Customer's attitude to be that so long as people "buy" their products then the products must be accepted. Firstly, customer may buy a given product or services simply because there is no other option and they would prefer to purchase what you aortic regurgitation offering them to go out altogether. Secondly, the fact that a product or services may be accepted does not mean that it will continue to sell. Competitors may see opportunities, customer expectations may change customer tastes may move on. If standards do not rise and services evolve and then download sales will appear.

A worse situation arises when the organizations haven't got a clue of the customer's perceptions but think they have. Another situation is when the organization don't have clue of their customers perception and don't care either go elsewhere. Sometimes orgs believe that they know the best what customer should want and therefore supply them with a centrally designed product. If resultant product or service has defects, then it is perceived to be a problem for the customer. Some orgs solicit customer feedback or it any way whether they like it or not and then do nothing about it. Thus satisfaction levels are a function of the difference between the perceived performance and expectation. A customer one of the three board levels of satisfaction as follows:

1. If performance fails short of expectations customer if dissatisfied.
2. If performance matches expectations/customer is satisfied.
3. If performance is greater than expectations customer is highly satisfied. Pleased or delighted.

Expectations of a buyer are formed on any of the following ways:

1. Buyer past experience.
2. Statements by friends.
3. Associates.
4. Marketer.
5. Promises.

Finally we come to the point where we realize how important customer feedback is in the case of an org which helps the orgs to determine how efficiently it is solving the customer and determine customer satisfaction. Companies seeking to win in today's markets must meet their customers' expectations, perceived company performance and customer satisfaction. They must monitor the aspects of their competitors as well. It should find out the major factors in customer satisfaction and dissatisfaction and use this information to improve its performance.

OBJECTIVES OF THE STUDY

- To know the influence of promotional activities towards Hero Honda two wheelers from customers, to find the satisfaction of the customers.
- To know whether the customers are satisfied by the features of the Hero Honda two wheelers and offer suggestions to increase the satisfaction of the

customers.

- To know the reasons for the change of Hero Honda two wheelers, and to find the area to be improved.
- To determine the factors influencing the choice of customers regarding Hero Honda bikes.
- To determine the customer's satisfaction regarding Hero Honda bikes.
- To know the strengths and weaknesses of the Hero Honda motor cycles.
- To offer suggestions in improving the product performance and the company sales and profitability.

Method

The primary source used for gathering data required for this study is Survey Method. In this survey method, a Survey of the customer's behavior towards two-wheeler is done. A planned effort is made using structured questionnaire to interview the respondents. The respondents are the owners of Hero Honda two-wheelers, who are interviewed, are chosen using non probability sampling method. The surveys can be done through personal interviews. In this study the respondents are interviewed personally so that the errors involved in gathering the primary data are minimized.

The secondary data consist of information that already existing somewhere having been collected for another purpose. Any researcher begins the research work by first going through secondary data. Secondary data includes the information available with company. It may be the findings of research previously done in the field. Secondary data can also be collected from the magazines, newspapers and internet.

Research design

Research design was adopted for the purpose of analyzing the data which was aimed to combine relevant data. Sample size Sampling unit consists of respondents of higher, middle and lower income groups of the Hyderabad city. Sampling size of customer was 100.

Need and goal for customer satisfaction

Most marketers see the goal of marketing as those of maximizing not consumption but customer satisfaction every company exist because they produce goods or services as required by the customer. So it is very important that these which the company produces should satisfy the needs of customers.

Factors affecting customer satisfaction

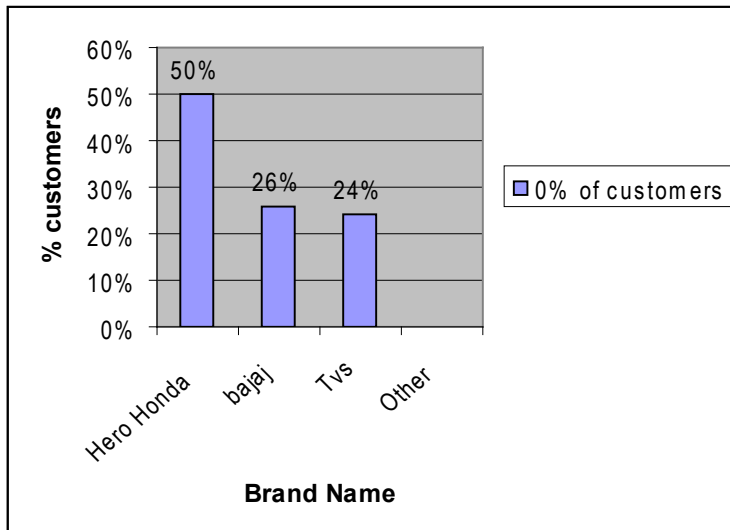
- Sales support.
- Service support.
- Invoicing and toner supply.

The principle objectives of the study are to examine the improvement in customer satisfaction.

Analysis

Do you have any two wheeler vehicle? If yes which vehicle do you have?

Brand Name	% Customers
Hero Honda	50%
Bajaj	26%
TVS	24%
Others	-
Total	100%



From above graph it is found that most preferred vehicle is Hero Honda.

How do you know about this Vehicle?

Brand Name	Television	News Paper	Dealers	Friends	Others
Hero Honda	16	4	4	4	2
Bajaj	18	0	0	6	0
TVS	12	4	2	6	0
Others	0	0	0	0	0

- 1) Most of the Hero Honda customers are came to know about their vehicle through friends.
- 2) Most of the BAJAJ & TVS customers are came to know about their vehicle through television.

Why do you prefer this vehicle?

Brand Name	Brand	Fuel Efficiency	Price	Performance	Finance Facility
Hero Honda	12	8	6	20	4
Bajaj	8	4	2	10	2
TVS	2	2	4	16	0
Others	0	0	0	0	0

1. Most of all Brands users selected these brands for good performance.
2. The performance of Hero Honda is best than other brands.

Would you recommend to your friend or associate?

Brand Name	Probably not	Not sure	Probably	Definitely
Hero Honda	0	6	24	20
Bajaj	2	8	4	12
TVS	2	14	8	0
Others	0	0	0	0

1. Most of the Hero Honda Customers are strongly recommending their friends to buy Hero Honda products.
2. Few of Bajaj Customers are recommending their friends to buy Bajaj Products.
3. Most of the TVS customers are not intended to recommend this brand to their friends.

Who would you think the best brand ambassador should be?

Brand Name	Sports Person	Film Personality	Models	Foreigners
Hero Honda	28	8	10	4
Bajaj	12	2	10	2
TVS	18	2	4	0
Others	0	0	0	0

Most of the Hero Honda, TVS, Bajaj and Other customers are intended to recommend sports person as the best ambassador.

How often do you change your vehicle?

Brand Name	0-1 Year	1-2 Year	2-3 Year	>3 year
Hero Honda	0	18	14	28
Bajaj	0	4	4	18
TVS	2	2	4	16
Others	0	0	0	0

Most of the Hero Honda, TVS, and Bajaj customers are willing to change their vehicles above 3 years.

What influenced you to purchase this vehicle? Kindly rate them?

Brand Name	Advertisement	Style & Design	Price	Mileage	Finance	Brand
Hero Honda	4	10	4	20	2	10
Bajaj	0	16	2	2	4	2
TVS	2	4	8	4	0	0
Others	0	0	0	0	0	0

1. Most of the Bajaj customers are influenced by the style & Design.
2. Most of the Hero Honda customers are influenced by the Mileage.
3. Most of the TVS customers are influenced by the price.

Do you think Technology fulfilled your requirements? Yes/No

Brand Name	Yes	NO
Hero Honda	36	14
Bajaj	20	6

TVS	16	8
Others	0	0

Most of the Hero Honda customers are satisfied with the Technology compared to Bajaj and TVS.

Do you think Advertising plays any role in decision making? Yes/NO

Brand Name	Yes	NO
Hero Honda	20	30
Bajaj	14	12
TVS	20	4
Others	0	0

Most of the Hero Honda & TVS customers believe in advertising.

FINDINGS

Mileage is not up to the expectation. Mileage of competitors is more than Honda. At high speed, body of Passion and Splendor are shaking. Gear problem exists in Splendor. In Passion Plus, problem is with head light focus and mileage is not good. In CD DAWN, axel problem exist, gear problem. Pick up should be increased in all the models. Focus of headlight is low and less area is covered in Passion. The weight of Passion and Splendor models should be increased. Carbonator has to be changed in CBZ to increase the mileage. Spare parts are not available in the servicing centers like petrol locks, speedometer wire, stickers etc. Polishing should be done after water servicing. Generator should be set up at servicing center. Mechanics should call back the customers if they find any problems in the vehicle during servicing. At least one experienced mechanic should be appointed in order to cope up with mileage problems. Customers should be educated about the maintenance of the vehicles and maintenance tips should be provided. Servicing should be done in less time. One mechanic should take care of one customer at a time. Proper schedule should be maintained for servicing. Delivery of vehicles should be done at given time. Number of mechanics should be increased. Maintenance cost and the availability of spare parts should also be given due importance.

CONCLUSION

The main objective of my project is to know the level of satisfaction of the customers those who are using Hero Honda Bikes so that the problems and complaints are addressed and necessary steps can be taken to overcome the complaints and problems. Company has been in the world for many years and has developed a

brand loyalty and image among the customers. In the present modern world, competition is at the top, it faces a major competition from Bajaj Motors and TVS Motors. Hero Honda has laid down a strong base in the world market and competing with other competitors of Bikes in India. The customers are satisfied with the mileage and performance of the Hero Honda Bikes, but some of the customers are facing some problems with the service personnel but they can be rectified by introducing training program for the service personnel, Co. should think about fuel efficiency in case of upper segment bikes. More service centers should be opened. Maintenance cost and the availability of spare parts should also be given due importance. The price should be economic. If the company considers all the above recommendations it would continue to be No.1 in two-wheeler industry of India.

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IMPACT OF ERGONOMICS AND PROFESSION ON HEALTH - A MULTI-SECTORAL STUDY

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ABSTRACT

A detailed study was conducted on 124 employees from four different professions in Hyderabad to study various health issues. Many health issues were observed which are completely influenced by profession. The study brought into light many profession related health problems.

Keywords : muscular-skeletal disorder, fatigue, carpel syndrome, sitting position.

INTRODUCTION

Few decades back, any job was highly limited to men. Very rarely female employees were seen in any employment. At that time employees were treated merely as people who work for salaries. Except for profession, management interference in other aspects of employees was very little. As year passed, the way of working has become very sophisticated. From writing a document to typing the document on a type writer, typing the document in a computer. Technology has evolved so rapidly that doing any work has become impossible without using any kind of technology.

Definition

Ergonomics is an applied science concerned with designing and arranging things people use so that the people and things interact most efficiently and safely

Importance of ergonomics

As the nature of work and the way employees performing their work has changed a lot, ergonomics plays a very important role in making work comfortable. In day-to-day work life, working with computers has become inevitable. There are certain professions in which work is totally on computers. Hence the present study makes an analysis on importance of ergonomics in different professions. Providing better comfortable facilities like adjusting the height of work stations, anti-fatigue mats, frequent short breaks, comfortable chairs, foot rests would help in overcoming few health issues which are caused due to uncomfortable ergonomics. Numbness in

fingers, thighs, difficulty in moving hands, body stiffness, back pains are the health indicators for ergonomic related problems.

Health problems

Now-a-days profession has major impact on health ranging from very minor issues to serious health problems.

Focus of study

The present study was conducted on 124 employees from four different professions i.e., 31 employees from software, 31 employees from business process outsourcing, 31 employees from call centers and 31 employees from banking sector. All the selected four professions are sitting jobs to be done with computers. These are the professions highly subjected to different types of health issues for which profession is one of the factors.

Overview of selected professions

The present study focuses on four professions. They are software employees, business process outsourcing, call centers and banking sectors. Any profession will have an impact on health in the following conditions.

1. Working in the same position throughout the day
2. No movement or very less movement in the working position
3. Usage of more physical energy to perform work.
4. Extreme high temperature or low temperatures

Software engineering

This is an evergreen and one of the most lucrative professions since two decades. This is one few professions where employees work completely on computers. They sit in front of the computers continuously in the same sitting position.

Business Process Outsourcing

It has become almost impossible to work without using computers and BPO sector is no exception.

Call Centers

Working with computers is inevitable in call centers.

Banking industry

Earlier banking profession was limited to pen and paper work. But now every

transaction can be done online even by the customers. All the transactions were performed on computers and written vouchers in banking industry.

Research Methodology

Data sources - Primary data was collected by interviewing employees through a questionnaire. Secondary data was gathered through articles, books and journals.

Sample size - A sample of 124 employees was studied for the present study. 31 employees from each of the four professions were studied. Stratified random sampling method was used to select the four organizations. Simple random sampling method is used to select employees.

Period of study - The study period was 7 months.

Survey instrument - The instrument used for the present study was a pre-tested questionnaire which was developed based on the articles and observation. The questions consist of open ended questions and close ended questions. Open ended questions were discussed in findings. Close ended questions were discussed in data analysis.

Limitations of the study

The following are the limitations of the present study.

- a) The study was limited to the selected four professions.
- b) The study is also limited to Hyderabad region geographically.

Purpose of the study

In the present scenario, profession is one of the highly influenced factors in any person's life. In addition to the social status, financial security and job satisfaction profession also gives few negative things like mental stress, health problems and no personal time.

Review of Literature

K. Suparna (2005) conducted a study on 200 information technology employees in National Capital Region to know the health problems faced by employees which arise out of usage of computer continuously. Major focus of the study was on the work environment, position of monitor, distance of monitor, usage of anti-glare screen, comfort of chair, distance of foot rest, position of elbow and wrists, body positioning, frequency of taking breaks, mouse holding method. The study also came out with suggestions for all the discomforts faced at work place. Very important finding is

increase in eye related problems, due to screen resolution, colour contrast and font size were generally overlooked.

Kesavachandran C, Rastogi SK, Das M, Khan AM (2006) made a pilot study on impact of visual display units(VDU) on health of employees in business process outsourcing and call centers. Through their pilot study they found that employees are suffering from various health disorders. Apart from health disorders, employees of Business Process Outsourcing are also suffering from psycho social problems. The study also found that as the work in information technology sector, business processing outsourcing and call centers is totally computer based, these kind of health issues are majorly observed.

AK Sharma, S Khera, J Khandekar (2006) in their exclusive study on information technology employees found that those employees are facing health problems majorly because of continuous work with computer inadequate distance between the computer and employees, position of wrist and elbow blurriness and dryness in eyes. They conducted Snellens visual activity chart for distant vision, Schirmir's test for dryness of eyes, Phalens and Tinels test for carpal tunnel syndrome. Through their study they also found that musculo-skeletal problems, in neck, lower back and shoulder were also seen in majority of employees who were in sitting position continuously.

Manish A Prasad, Vasant Wagh, Abhay Mudey (2014), conducted a research exclusively on professions where usage of computer is unavoidable. They selected professions like software developers, marketing groups and data entry workers. Their research was aimed at exploring health related problems among employees where computers were a part of job. Health problems were observed in 83% of the respondents. Body aches like backaches, headaches and visual symptoms like eye watering, eye strain were very common health issues among employees working with computers. Based on the study they suggested that appropriate ergonomics should be implemented in offices in order to make employees feel comfortable at work places.

Data Analysis & Interpretations

Table No.1 : Profession wise break-up of the respondents

Profession	Frequency	Percentage
Software	31	25
BPO	31	25

Call Centers	31	25
Banking	31	25
Total	124	100

Based on the above table, the number of respondents in the selected sectors for the study. 31 employees from all the selected four professions software, banking, insurance and marketing.

Table No.2 : Age wise classification of the respondents

Age	Frequency	Percentage
25-30	46	37.02
30-35	34	27
35-40	25	20
40-45	10	8.6
45-50	9	7.4
Total	124	100

The above table shows that number of employees belonging to age group 25-30 are 46; number of employees of the age group 30-35 are 34; 25 respondents are of the age group 35-40; 10 are belonging to age group 40-45 and only 9 respondents belong to 40-45 age group.

Table No.3 : Gender wise representation of the respondents

Gender	Frequency	Percentage
Male	73	58.88
Female	51	41.12
Total	124	100

The above table gives a clear picture of gender of respondents. Number of male employees are 73 and number of female employees are 51.

Table No.4 : Marital status of the respondents

Marital status	Frequency	Percentage
Married	84	67.76
Unmarried	28	22.58
Divorced	9	7.25
Others	3	2.41

Total	124	100
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Depending on the table below the study also gives the marital status of all the respondents. There are 84 married respondents; 28 are unmarried; 7 are divorced and 5 are belonging to others category like separated or widows.

Table No.5 : Number of working hours of the respondents

No.of working hours	Frequency	Percentage
8 hours	43	115.29
9 hours	58	46.77
10 hours	11	8.87
11 hours	7	5.64
12 hours	5	4.03
Total	124	100

The above table gives the number of working hours per day. 34.6 percent of the respondents are working for 8 hours a day; 46.7 percent of them are working for 9 hours; 8.8 percent of them are spending 10 hours a day and 5.6 percent of the respondents are working for 11 hours and 4 percent of them are working for 12 hours a day.

Table No. 6 : Maximum duration spent without any movement

Maximum duration spent continuously in same position	Frequency	Percentage
10 mins	2	1.61
20 mins	9	7.25
30 mins	53	42.74
40 mins	45	36.29
50 mins	15	12.09
Total	124	100

A study was made to know the duration spent continuously without any movement. It was found that 1.6 percent of the respondents are spending 10 minutes continuously; 7.2 percent of them are not moving from their sitting position for 20 minutes; 42.7 percent of them are glued to their seats for 30 minutes; 36.2 percent of the respondents are spending 40 minutes without any movement and 12 percent of them are spending 50 minutes continuously without any change in their position.

Table No. 7 : Health issues faced by employees

Health issues	Frequency	Percentage
Neck aches	22	17.74
Back aches	47	37.90
Carpal Tunnel Syndrome	23	18.54
Eye related issues	18	14.51
others	14	11.29
Total	124	100

The above table gives a picture about the health issues faced by the respondents. 22 respondents reported that they are suffering from neck pain; 47 respondents were suffering from back pain; 23 of them agreed that they are suffering from carpal tunnel syndrome; 18 respondents are facing eye related problems; 14 employees are facing other health issues like spondilites, headaches.

Table No.8 : Physical exercise done by respondents

Exercise	Frequency	Percentage
Yes	72	58.06
No	52	41.94
Total	124	100

When asked about the physical exercise done every day 72 of them agreed that they do some physical activity daily like exercise, yoga, walking. 52 said that they don't do any kind of physical activity on any given day.

Table No. 9 : Duration of time spent for Physical exercise

Duration of physical activity per day	Frequency	Percentage
10 mins	63	50.80
20 mins	22	17.74
30 mins	15	12.09
40 mins	18	14.51
Total	124	100

When asked about the duration they spent for physical activity per day 63 respondents said that they exercise for 10 minutes; 22 respondents said that they exercise for 20 minutes; 15 employees are doing exercise for 30 minutes; and 18 respondents said

that they exercise for 40 minutes a day.

Table No. 10 : Impact of ergonomics on health

Impact of ergonomics on health	Frequency	Percentage
Strongly disagree	0	0
Disagree	2	1.61
Neutral	13	10.48
Agree	72	58.06
Strongly agree	37	29.83
Total	124	100

The above table explains in detail about the impact of not so comfortable ergonomics on health. 37 respondents strongly agreed; 72 employees agreed; 13 remained neutral and only 2 respondents disagreed. This clearly shows that ergonomics has a strong influence on health of respondents.

FINDINGS

From the data analysis the following findings were done.

1. It is found that employees of all the selected professions are working with computers which has become a mandate.
2. Very minor things like distance between the monitor and employees, level of wrist and elbows, frequency of blinking eyes were overlooked. But surprisingly these are the major aspects which, if not maintained properly, cause shoulder and eye related health issues.
3. Sitting in the same position for long duration, results in neck-aches, backaches, carpal tunnel syndrome and numbness in legs.
4. Doing any kind of physical activity has a great impact on curing few health problems like back-aches, neck-aches, numbness in legs.
5. Yoga, meditation, physical exercise, gym, walking are known to cure health problems like maintain body fit.

CONCLUSION

From the study it is evident that ergonomics is not given much importance in many organizations. Employees are also not taking care of ergonomics and that is one of the reasons because of which ergonomics is not getting prominence. Though many studies have been done on this area ergonomics was not recognized by majority of

the organizations. Because of the changing nature of work, food habits, technology and need for excellence it is high time to give priority to ergonomics, employees' comfort and their well-being.

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FAMILY PURCHASE DECISION MAKING - A REVIEW

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ABSTRACT

Family becomes one of the important constituents in the purchase decision making. Family decision making concept has obtained the attention of marketing viewpoint and created interest in social scientists. Family is a unique social system where all members of the family influence and get influenced by each other to take a buying decision. They act as a common unit when buying a product for common consumption. Traditionally, women as home makers were seen as the major stake holders in purchase decisions within the family for regular supplies at home as they take care of the household all the time. Whereas with the increasing participation of women in workforce and availability of innovative technologies, there is an increase in the involvement of all family members in the purchase decisions. Studies reveal that there is considerable involvement of children in family purchase decision making. The amount of influence exerted by each family while taking purchase decision may vary by product category, economic circumstances, influence of promotional activities, socialization, time and technology. The present paper attempts to understand the aspects related to family purchase decision making and the different kinds of needs related to it.

Key words: Family, purchase decisions, existence, relatedness, and growth needs

INTRODUCTION

There is a substantial amount of research done in the field of consumer decision making. Decision making has its own impact on different variables and situations within the family and society. As the basic decision-making unit, the family has become the focus of attention for marketers in understanding the roles of individuals in the buying process. It is important to understand the decision making in families so as to identify the most important member and the factors associated in making a purchase decision.

Family as a system in the society with specific values, is undergoing changes thereby enabling multiplicity of models in family values. Family is a dynamic entity which changes with the changing time. It is a unique social system with psychological and emotional bonding of the members with established traditions in every community. Rationality is not always the basis for family purchases. They are made on emotional considerations such as, we should be better than our neighbors and close relations in making purchases. This is visible in Indian marriages of all income groups. Competitiveness that we should be better than others, or emulating the higher ups are emotional traits which make people to buy beyond their economic capacity some times. The family orientation over a period of time has changed and so is the value systems. It used to be a practice that, decisions made by the head of the household was final. And all the individuals within the household used to abide. Whereas with the changing times many factors influenced the value systems and the issues associated with the family orientation. Family with moral and ethical beliefs centered round honesty and loyalty. A happy family is an endowment conferred by nature. A joint family with a large network of relatives was a bigger endowment. Today people have moved to nuclear family and are contented with members with greater love and affection. These relationships of a nuclear family are extended to purchasing decisions too. Since every member of the family is busy with their own occupation they all crave for spending quality time with other members of the family.

Consumer decision making varies with the product categories they are buying. Few studies reveal that most consumers are highly involved while taking purchase decisions for grocery products compared to other products and services. This is due to the greater choice and addition of new product categories from time to time. Dr Sudeepa Sharma (2013)¹ in his study evinced the very essentiality of the roles played by the family members while deciding to purchase any product or service from the market. Considerable number of consumers often have common needs or purposes in part, because they share the same set of biological, economic, and socio-cultural influences. Looking at these aspects producers respond by creating and marketing appropriate products (Garry, Ratneshwar et al 1999)². The family is the right unit in studying the buying decisions. Family is a single unit, whereas its members are separate units in making decisions for particular relevant products while the family decides of products of common use. When observed in general, the family is a critical decision-making and consumption unit. Major items of consumer spending such as food, shelter, and transportation are jointly “consumed.” Undoubtedly, one of the main ends of decision making in a family is the fulfillment of the needs and wishes of its members. This study is an attempt to address the family dynamics and the influence of individual members in decision making and need satisfaction. We also attempt to explore ERG viz, Existence, Relatedness and Growth theory

defined by Alderfer in 1969, distinguishing three categories of needs that influence the human behaviour.

LITERATURE REVIEW

Human need is the driving force for consumer behavior and different types of human needs motivate consumer behavior differently(Maslow, 1954)³. In pursuit of fulfilling the needs, the consumer would strive for satisfaction of these needs to prevent tension and suffering caused by deficiency. Therefore, when it comes to making a purchase decision, if the dearth of needs crop up for any reason, the shopper would likely to search for the item that could fulfill his or her needs. When the need is important enough, the desire for the item would strengthen and drive the consumer towards making the purchase. Consumer needs refer to the motive in making purchase decisions for certain goods. Through internal guidance process, it deeply influences the buying behavior. From the marketing viewpoint, the only way to understand consumer buying behavior is to understand consumer motivation and consumer needs in order to effectively draw up the marketing strategy (Kotler, 2000)⁴.

ERG(Existence, Relatedness and Growth) Needs:

The literature on consumer behavior contains a growing number of references to the household as the relevant unit for buyer behavior and their decision making styles. It is the act of need satisfaction that leads to decision making and comprehend the urge to fulfill needs. Clayton Alderfer⁵ published an article in 1969 entitled “An empirical test of a new theory of human need” which had existence, relatedness and growth(ERG) concepts covered. Some social scientists consider this as compressed model of Maslow’s Hierarchy of Needs. Alderfer distinguishes three categories of needs that influence the human behaviour; existence, relatedness and growth.

Existence needs include basic necessities like physiological needs and all kinds of safety needs for survival. Relatedness needs include senses of security, belonging, and respect, popularity, social status, superiority, importance and adoration. Growth needs refers to the need of certain individuals to be creative and productive while desiring opportunities for personal development and achievement. This theory is referred in this paper because most purchase decisions taken in the family are emotional decisions based on relatedness needs.

Consumer Decision Making Process

Consumer behavior is very complex and may differ significantly across different products and services individually and in family decision making process. Solomon et al., 2002⁶ developed a five stage model of buying decision process that help

in knowing, how do consumers search for information, evaluate the alternatives, purchase to post purchase behaviour. Understanding the process of decision making is very important to marketers to identify the ways adapted by consumer to purchase a product or avail service.

The Five Stages of this Model are:

Problem recognition: Buying process starts with consumer need/problem identification. Need identification arises in such conditions where an individual customer becomes conscious with the difference between actual state of affairs and desired state of affairs. Business units should find the stimuli behind the needs and formulate the strategies to fulfill the customer need.

Information search: Further, customer will search for more information to fulfill his aroused need. With the easy access to online recourses, there is an increasing number of individuals searching for information about product categories and brands. Consumer learns about the substitute products and starts comparison for best alternative.

Evaluation of Alternatives: The process of evaluation of alternatives can sometimes be difficult, time consuming and full of pressure for a consumer. Thus all the available alternatives are evaluated thoroughly in this stage. The consumer tries to see the most relevant product attribute which he seeks to have in the product and benefits associated with it.

Purchase Decision: After thorough evaluation of alternatives the consumer will choose one brand from available alternatives. Customer may delay in purchasing or look for alternative brand to purchase due to product stock-outs. So it is very important to categorize the products properly and maintain stocks properly to cope up with the customer purchase decision.

Post purchase Behavior: The consumer purchase is a repetitive process. Therefore this stage reflects the consumer's experience of purchasing a product or service which makes the customer to repurchase.

Family Decision Making

A family is the key element that affects the consumption and disposal of the products. It is vital for a seller to identify the issues related to family structure, buying patterns, buying roles and motives of the family members. Family purchasing styles depend on several aspects, out of which financial position of the family plays an important role. The decision making in the single income household earners may differ from the

double or more income earning families. There are three segments viz. Luxurious, Desirables and Essentials in all product categories. In housing, food and mobility categories this is more visible. Rich families may spend more on luxurious goods or services and may spend less on food and other routine items. Whereas middle class and lower class families will concentrate on the items which have utility to carry out for their routine work. But the middle and lower class always intend to emulate the higher class buying patterns by trying to make improvements in their lifestyles. Understanding this cycle of purchasing patterns will certainly help marketers in defining the marketing plan by focusing on target customers including members of the family.

Family decision making roles were studied by Davis and Rigaux (1997)⁷ in their research and identified three phases of decision making viz, problem recognition; search for information and final decision. Wilkes, 1997⁸; Moore-Shay and Wilkie, 1998; Yavas et al., 1998⁹ have found that the roles and relative influence of husbands and wives differed based on decision-making stage and product type. For some product categories husband may play important role in decision making and for some other it may be wife and yet other items decided by children. Depending on the product type it may sometimes require whole family members involvement in decision making. Generally male members are involved in information gathering compared to women while both may be active in making the final decision.

Market researchers and economists are interested in studying household decision-making because information about family decision-making may be helpful in predicting consumer intentions, of product or service choice (Ferber 1973)¹⁰. According to Mitchell and Walsh (2004)¹¹, males and females want different products and they are likely to have different ways of liking and obtaining them. Thus, gender has an important role in buying behavior as they show the differences between men and women about expectation, want, need and life-style.

Brand preference has influence on the buying behaviour of the persons in a household. When the brand preference issue arises in a house, the preferred brand was usually the brand in the household inventory. This factor found to have considerable distinction in purchase behavior depending on the husbands and wives preference of a particular brand. Dr Sudeepa Sharma(2013)¹, found in his study that taste as a preference of the consumers is influenced by the young children of the family for daily commodities. These facts about the family decision depicts that almost all the members involve in the purchase decision making and brand choice.

Role of family members at the time of purchase decision

The various roles played by members of the family will vary while making a purchase decision. Depending on the requirement the members of the family may play the decisive role to procure a product or service. It may depend on attributes like quality, quantity and brand preference. Majority of the times, it is the utility for an individual or whole family which clinches the decision.

Sometimes it is impulse purchase behaviour exerted by the buyers due to the point of purchase offer by the marketers. And these offers are accepted as opportunity by some individuals in the family to make purchase decision. Geetha and Bharadwaj (2016)¹² explains that impulse buying behaviour mainly depends on factors like time, cultural transformations, lack of future planning just to make use of opportunistic buying.

Role and preferences of family member in making purchase decisions

Influencer : These influencers are the members of the family who provide information with respect to product or service to other members of the family. These influencers may not have the power to make final purchase decision, but will make an effort to influence the members of the family to buy.

Decision maker : The member who has the power to select the product individually or jointly and give final consent to buy the product for the common use. Husband might take a decision to buy a refrigerator by acquiring relevant knowledge on technical aspects like power consumption and space it occupies in the house etc, whereas the utility is the concern of wife.

Buyer : The role of buyer is different from the decision maker. It is only after making the final decision, the buyer who get into activities involved in final purchase and buys the product. Their role is only confined to the activities involved in the actual purchase at the store.

Users : The ultimate consumers of the product or service are the users. Mother may be the preparer of energy drink, but it is kids who consume the drink, but there are several preparations of food which is consumed by the whole family.

Maintainer : The members who maintain the product for continued use and satisfaction are maintainers.

Role played by the family members has diversified implications on the family purchase behavior and the preferences in a household. Marketers have to be very cautious

with the above roles and define the marketing strategies accordingly.

Family Dynamics

The purchase activities in a family are influenced by the relationship dynamics among family members. The purchase styles of a family and its members mainly depend upon the dynamics of husband-wife in decision making followed by the influence of the children, relatives, friends and colleagues. There may be the following types of decisions¹³ on the basis of family dynamics.

- Wife dominant decisions - Ex. Food and grocery, home decoration
- Husband dominant decisions - Ex. Cars, phones, insurance
- Young Children dominant decisions - Ex. Movies, snacks, toys and games
- Adolescent children dominant decisions - Ex. Apparel, bikes, phones
- Joint decisions - Ex. Vacations, school to children, saving and investment
- Automatic or unilateral decisions - Ex. Milk, newspaper

These decisions give relevance of an individual, whereas there are several combinations of family members exist with the bonding the members develop in a household. Decisions pertaining to selecting the school to children and family savings will be taken by both Husband and Wife together with an equal responsibility. When it comes to shopping of ornaments, it is the women who dominate to make the decision along with adolescent female children in the family. The heads of household of several families involve in a community for vital decisions like real estate or house purchase, but involvement of family members including the housewife is also significant in such decisions. Thus different requirements and situations compel combination of the members of the family in purchase decisions.

Factors Influencing the Purchase Decision

Economic Strength:

Family's financial strength forms one of the important bases for the purchase decisions of a family. According to Faber, there are four principal types of financial decisions, namely money management, saving decisions, spending decisions, and asset management. Depending on the economic conditions of a given family the priorities change as far as choice of purchase decision. There is more leverage of spending in the high income groups than the middle and low income groups. Majority of the low income families will strive to fulfill the existence needs as discussed by Alderfer in his ERG theory. Relatedness needs can be considered as ego needs, as many families try to procure products in comparison to others by spending much

above their financial capabilities to satisfy their ego. Which may sometimes lead to weakening the financial strength and affect the growth needs of the members of the family. So, the economic conditions have an impact on the buying decisions of a family.

Socio-cultural influence:

Socio-cultural factors that influence purchase decision making include belief systems, customs, traditions and the civic behaviour of the people living in the society. In our country there are diversified traditions and customs. It is sometimes the market trends and changing preferences of consumers that influence the purchase behaviour. All these trends and changing life styles have significant influence on the buying patterns in the family. Decision making sometimes within the family may face difference of opinion due to the generation gap in the family. Parents belief system may be different than children, which has its influence on decision making.

Educational qualifications:

Education is one of the prime determinants of the tendency of a family to follow the five-step decision-making process(Faber,1971)¹⁴. Sometimes joint decisions may yield more satisfaction when both the wife and husband are educationally qualified. In some situations the wife may accept the desires of the husband because of higher educational qualifications than hers. The whole family may listen to the head with faith in his/her knowledge. Individuals with higher qualifications may tend to prefer branded and quality products than the people with less education. It can be stated that there is an impact of education on family purchase decision making. Therefore the businesses have to consider these facts to derive focused approach in their advertising and marketing plans.

Emotional bonding:

Family is a unique social institution where emotions govern relations. Traditional and relational considerations predominate. The cohesion in the family portray emotional bonding between the members of the family. The provision of emotional bonding including love, affection and intimacy is a basic function of a contemporary family. A parent may initially reject a purchase request of children, but the emotional attachment to them influences shift towards purchase to satisfy the children's needs. Sometimes the members of the decision making unit may try different techniques to influence the purchase. In the research conducted by Shaik and Shekar¹⁵ explains that individuals will persuade others by using emotive appeals, crying, pouting and other non-verbal techniques in order to achieve their desire. This is a very common scenario in the Indian families, where young children influence the elders of the family by crying to get the desired product of their choice.

Advertisement influence:

Advertising is the most common marketing strategy used by businesses. As stated by McCracken¹⁶(1989), an advertisement can catch consumers' attention and increase brand awareness, and convert consumers' feelings for the product and produce a positive impression. Marketers target members of the family with different age groups and arouse buying needs. The members of the family search for information of the product or service to fulfill their desired need. This is the time where the marketers try to catch the attention of the customers by advertising their products in several types of media and influence the members to gain knowledge of the product and lead them to take favorable purchase decision. For instance, Amul, TV advertisement theme runs around the family members by showing relationships and arouse happy feelings with tagline "Taste of India".

Information Technology(IT) influence:

Basic business operations like decision making, customer service, marketing strategies, human resource management are being reformed with the use of I.T¹⁷. With the smart phones and wireless internet availability, consumers are able to get the information on their finger tips. One of the most important shift in buying behavior due to I.T was the use of knowledge and information before purchase¹⁸. Use of Information Technology is increasing around the world and affecting the life-style and spending patterns for the different needs of daily life. In-fact in every house hold almost every adult has Smartphone enabled with social media platforms like, Facebook, Vchat, Instagram and WhatsApp. These technologies have the ability to transfer audio, video and pictorial data in fraction of seconds. These facilities have enabled the family to eliminate contradictions and take immediate & accurate purchase decisions to gain enormous satisfaction in the family.

Whereas the author Alex Williams(New York Times, April 29, 2011) in his article¹⁹ "Quality Time, Redefined" argues that family seems to be more together but separate and huddled in a cyber-cocoon which reduced the occurrence of family conferencing for taking purchase decisions. So, the invasion of information technology has brought advantages and disadvantages which marketers have to identify to enabling family conferencing in purchase decisions to make them ultimate which will result in actual purchase.

CONCLUSION

It can be observed from the literature that family decision making plays an important role and to be given lot of precedence by the business units. Different needs arise with distinctive methodology adapted by family members to cater to fulfill the need.

As defined by Alderfer the three different types of needs- existence, relatedness and growth(ERG) influence the family purchase behavior. Several times relatedness needs engulf the members of the family into ego needs and provoke them to emulate the upper class and allows them to raise above their standard of living. This can be a positive sign if the individual members attain the desired level with their capabilities. Or it may result into the whole family falling into a financial turmoil.

There are different roles played by the members of the family to procure a product. Understanding these roles and factors associated in purchase behavior forms bases for the business units which cater to identification of needs and defining proper strategies to enable both the buyer and seller for a win-win proposition by protecting the value system conducive to family. Thus, in the present paper we attempted to understand the very importance to study the family purchase behavior, roles played by individual members, family dynamics and factors influencing the purchase decision.

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EMPLOYEE ENGAGEMENT STRATEGY IN ORGANIZATION'S - A REVIEW

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ABSTRACT

Motivated and engaged employees tend to contribute more in terms of organizational Productivity and support in maintaining a higher commitment level leading to the higher customer satisfaction. Employees Engagement permeates across the employee Customer boundaries, where revenue, corporate goodwill, brand image are also at stake. This paper makes an attempt to study the different dimensions of employee engagement with the help of review of literature. This can be used to provide an overview and references on some of the conceptual and practical work undertaken in the area of the employee engagement practices. When it comes to employment, it's a buyer's market out there. For the past few years, the relationship between employers and employees has undergone a profound shift, now resembling freelancing much more, and focusing less of the letters' time, energy and loyalty to the companies or organizations they work for. Indeed, senior executives have to spend more time considering the strategies required not only to attract new staff, but also retain them. And also there are many health problems employees are facing it leads to critical issues. Many causes are there to choose this topic. Everyone has job experiences that feel more like play and ones where they couldn't wait to get out, simply because they weren't invested in the project or outcome.

INTRODUCTION

Meaning of employee engagement strategy

Employee engagement strategy is a work place approach resulting in the right conditions for organizations or company's goals and values, motivated to contribute to organizational success, with an enhanced sense of their own well being. Engagement is ability to present, focused and energized. But what it does is even more interesting. Engaged people go above and beyond what is expected of them because they feel part of a purpose larger than themselves.

Employee engagement strategy in Human Resource Management:

Employee engagement strategy illustrates the commitment and energy that employees bring to work and is a key indicator of their involvement and dedication

to the organization. Employees who are engaged are more productive, content and more likely to be loyal to an organization. This is where employee engagement comes in. It's one thing to bring people on board, but what are the most effective employee engagement strategies? How do you keep your people engaged, motivated, productive and happy? Let's look at some of the best tips for employee engagement.

Importance of employee engagement in Organizations:

Employee engagement strategies have been proven to reduce staff turnover, improve productivity and efficiency, retain customers at a higher rate, and make more profits. Perhaps most importantly, engaged employees are happier, both at work and in their lives. When you're engaged, it infuses everything you do with purpose, energy and enthusiasm. What do you think are the three key elements behind effective employee engagement? Here's a clue: money isn't one of them. While a good remuneration package goes a long way to keeping an employee engaged, it doesn't do everything. In fact, the three core elements have everything to do with a sense of belonging.

Organizations should found that for an employee to feel engaged, they had to:

- Feel that their work was meaningful and made a difference
- Feel valued, trusted and respected
- Feel secure and self-confident

In other words, the more an employee feels part of a community, the more likely it is that they are engaged with what they do. It seems quite simple written out like this, but it's also easy and common to overlook these factors. And the changes to the job market since this research was done make the need for effective employee engagement strategies even more imperative. Considering this, our first hint is to think holistically. We often spend more time working than we do with our families, so it makes sense to consider all the features of the working environment. It's not just all about the money: it's how comfortable we feel where we work, how we feel around our colleagues, how we feel about the value of what we do. Notice we use 'feel' a lot: subjective impressions have as much (if not more) clout than our cool, objective opinions, when it comes to work.

The best strategies for employee engagement

Consider the strategies we need to improve employee engagement.

1. Think "Bottom Up", not "Top Down"

You don't build a house starting from the roof and working downwards, do you? Well, the same goes for companies. After all, your people are the bedrock on which you

are founded, and if you don't know what it's thinking, you'll soon run into trouble. Using surveys and questionnaires is crucial when gauging your employees' feelings and opinions. We know what you're thinking: 'Will this ever actually affect anything?'. In many cases, these surveys aren't quite thought out. They're phrased in such a way that they are designed to produce an outcome that will satisfy the executive board, but do nothing to allow employees to comment on the real issues. They're also an example of top down thinking, focusing possibly on one or two issues rather than thinking holistically. Instead, if you've given careful consideration, you'll see that your survey is only the springboard to engagement. Once you have the results, hold a team meeting – not necessarily formal, perhaps something with lunch included – and go through it. Focus on common issues and ask your team about how an issue can be improved upon. The more your teams are asked their opinions, the more they will feel empowered, trusted and respected – and the more engaged they'll be.

2. Show them you listen

If a clear issue has been identified, then it should be acted upon. More importantly, it should be visibly addressed, particularly if you have discussed it with them. Knowing that one's opinions are not only listened to but also contribute to change is another way to increase engagement. Use your internal notice boards to demonstrate what you've done in response to what your employees have said.

3. Share good practice and ideas between teams

There's nothing better than seeing your ideas and work practices being praised, so ensure that your employees have the opportunity to share and display their very best work. Peer-to-peer learning, whether in meetings or via your Talent Development Platform, is a great way to foster engagement and create or strengthen links between your employees.

4. Have an employee voice

Having a once-a-year satisfaction survey is not enough to gauge how your company is doing. You also need to facilitate channels where each employee can raise issues and give feedback. For this, consider using discussion forums where your teams can air issues and get feedback from their peers and managers.

5. Understand individual learning styles and preferences

If you understand how your employees learn – whether they prefer to work independently or in groups, for example – you will also find out a lot about how well they work and in which ways they are more likely to engage with projects. You should also consider when someone can learn, and for how long. This is an important consideration with online training in particular: you will find that some employees will

happily get on with individual training, while others are better suited to synchronous, collaborative learning. Your Talent Development Platform should offer a variety of ways in which the user can engage with their course.

6. Employ effective group learning strategies

Traditional workplace training sessions are part of working life and a great way to help everyone engage with new ideas and techniques. However, there is the risk that they can become somewhat stale, manager-lead exercises. Here's where the instructor should put aside their managerial hat, and act instead as a facilitator for action, rather than directing it. Let the whole team be involved. Challenge employees to step out of their comfort zone, for example, by making a quieter employee act as a sub team leader. Also, forming small groups and having them focus on a narrow, specific task is a great practice. Small group learning strategies are not that different from group learning strategies. Smaller groups are often quite fast paced and may cover a lot of ground. Each member feels that their voice is heard and that they are supported by their colleagues through the process. In the end, all groups can come together and reflect on the outcome.

CONCLUSION

The final conclusion of this article is meaning of employee engagement strategy also in Human Resource Management, importance of employee engagement strategy and best strategies of employee engagement strategies. Where these strategies really shine, however, is on your Learning and Talent Development Platform. It's proven that group learning facilitates engagement, so use strategies such as online simulations, group assignments, and augmented learning. Keep in mind that effective employee engagement strategies require you need to think globally. Remember, your business is a community – for you, your team, your managers and your employees. And communities thrive best when everyone in it feels they are included, valued and trusted. The more engaged your employees are, the more productive they become, and you get something money just can't buy – a happy workplace!

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FOREIGN DIRECT INVESTMENT IN SERVICE SECTOR IN INDIA- A STUDY

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ABSTRACT

FDI is a tool for economic growth through its strengthening of domestic capital, productivity and employment. FDI also plays a vital role in the up gradation of technology, skills and managerial capabilities in various sectors of the economy. The paper investigates objective of this paper is to examine the Foreign Direct Investment (FDI) inflows in India and especially in service sector. In this research attempts the FDI and its impact in GDP, mainly we have seen the relationship between the GDP with FDI flows. This analysis has revealed that Foreign Direct Investment has positive and significant impact on GDP We understand the FDI Inflows in service Sector is showing the consecutive growth trend to getting FDI inflows.

INTRODUCTION

FDI have helped India to attain a financial stability and economic growth with the help of investments in different sectors. FDI has boosted the economic life of India and on the other hand there are critics who have blamed the government for ousting the domestic inflows. After liberalization of Trade policies in India, there has been a positive GDP growth rate in Indian economy. Foreign direct investments helps in developing the economy by generating employment to the unemployed, Generating revenues in the form of tax and incomes, Financial stability to the government, development of infrastructure, backward and forward linkages to the domestic firms for the requirements of raw materials, tools, business infrastructure, and act as support for financial system. Forward and back ward linkages are developed to support the foreign firm with supply of raw and other requirements. It helps in generation of employment and also helps poverty eradication. There are many businesses or individuals who would earn their lively hood through the foreign investments. There are legal and financial consultants who also guide in the early stage of establishment of firm.

FDI and India - Service sector

The sector wise shift of FDI in last two decade have shown a dramatically change. For comparison, this study divide the period from August 1991 to March 2009

into two decade first from 1991 to 2000 and second 2000 to 2009. During the first decade of reforms started from August 1991 to December 1999, services sector on Indian economy was unable to attract the attentions of foreign investor and old third place after the transportation and electrical equipment, but second decade started from January 2000 to March 2009, the emergence of the service sector have change the composition of foreign direct investment in India. In the second decade of economic reforms this sector account 27 percent of total FDI and hold first rank in attractive sector for foreign investor. This is due to the growth of sub sectors like IT, Financial Services, Insurance sector extra. There is a new wave in the growth of India financial sector after liberalization insurance industry growing with rapid rate. The number of merger and acquisition in the insurance industry as well as in banking sector also, number of private banks are growing in India. The performance of foreign banks is quit well. Government of India planning for issue some new license for privatization of Indian banking sector and it is assumed the sector will continue with sector growth.

Role of FDI in India's Service Sector

The Service Sector has played a dominant role in the Indian Economy with a 57.3 per cent share in the GDP and a growth of 10.1 per cent in 2009 -10 (Economic Survey 2010-2011, RBI). Foreign Direct Investment (FDI) has been instrumental behind the growth of service sector in India. Since the opening up of the economy in 1991, FDI in India has grown in leaps and bound. From a mere 45.46 million dollars in 1970, FDI has grown into a mammoth 40418.39 million dollars in 2008. The FDI inflow between 1991 and 2008 had increased by a staggering 53791.2 million dollars. A substantial part of the FDI has gone into the service sector. In addition, FDI's contribution to this sector has only grown overtime. The flow of FDI in Indian service sector has boosted the growth of Indian economy; this sector has contributed a large share in the growth of India's GDP. The service sector has attracted a significant portion of total FDI in Indian economy which is visible especially in the second decade (2000 - 2011) of economic reforms in India.

The economic role of FDI is increasingly becoming significant in the Indian economy with the transition of FDI policy from a restrictive phase of seventies and early eighties to a relatively liberal phase of nineties. FDI is an important indicator of economic growth and stimulator of competitiveness. Foreign Direct Investment has been seen as a dominant determinant to achieve high rate of economic growth because it brings in scarce capital resource, raise technological capability and increase efficiency through enhancing domestic competition. After liberalization, FDI inwards flows in India have increased tremendously.

Review on FDI in service Sector

Rashmi Banga (2005) identifies and discusses critical issues with respect to growth of India's service sector. An assessment of performance of services at the aggregated as well as the disaggregated level is undertaken in terms of their shares in GDP, employment, trade and FDI. Santi Chaisrisawatsuk and Wisit Chaisrisawatsuk's study explored how international trade and investment flows affected each other, using data from OECD and six ASEAN countries, and examined whether trade and investment linkages were different between developed and developing economies, or between countries that participate actively in bilateral or regional trade agreements. Laura Alfaro's (April 2003) study shows that the benefits of FDI vary greatly across sectors by examining the effect of foreign direct investment on growth in the primary, manufacturing, and service sectors. An empirical analysis using crosscountry data for the period 1981-1999 suggests that total FDI exerts an ambiguous effect on growth. Foreign direct investments in the primary sector, however, tend to have a negative effect on growth, while investment in manufacturing a positive one. Evidence from the service sector is ambiguous.

The paper examines co-integration and the causal relationship between Foreign Direct Investment (FDI) and the economic output or Gross Domestic Product (GDP) in the both short and long run of Bangladesh, Pakistan and India over the period of 1972-2008. Three econometric models, viz. Augmented Dickey-Fuller (ADF) test, Engle-Granger two-step co-integration test, Vector error correction mechanism (VECM) have been used. This study also used Granger Causality (GC) to find the directional relationship between FDI and GDP. The results suggest that there is no co-integration between FDI and GDP in the both long and short run in Bangladesh and India. However, we find the co-integration between them in the both short and long run in Pakistan. Conversely, GC results suggest that there is no causality relationship between GDP and FDI for Bangladesh and one way or unidirectional relationship found for Pakistan and India, which means FDI caused economic output in Pakistan.

The paper tries to fill up the gap in the literature explaining Foreign Direct Investment (FDI) flows in developing countries by emphasising the role or quality of institutions, often unaddressed in current empiricism, yet of paramount importance. Control of corruption, better rule of law, political stability and better freedom of expression of the media are used as indicators of good governance and institutional quality in this research endeavour. The analysis of a selection of 45 developing countries in the African, Latin American and Asian regions is undertaken in our empirical analysis. After having controlled for the usual variables and performed a battery of robustness tests, under multiple scenarios, the findings primarily prompt us to conclude that the

quality of some institutions in the host country has an enormous impact on inward FDI. Furthermore, as the different institutional indicators are complementary to each other, their combined effect is found to reinforce the level of FDI inflows to the host country.

We assess the location choices of 6020 foreign investors at the level of Indian districts. Employing conditional logit models, we find that clustering of Foreign Direct Investment (FDI) is driven strongly by herding among investors from both, the same and other countries of origin. However, the behaviour of Nonresident Indians (NRIs) and German investors is strikingly different.

CONCLUSION

The Government of India was initially very apprehensive of the introduction of the Foreign Direct Investment in the Retail Sector in India. The unorganized retail sector as has been mentioned earlier occupies 98% of the retail sector and the rest 2% is contributed by the organized sector. Hence one reason why the government feared the surge of the Foreign Direct Investments in India was the displacement of labour. The unorganized retail sector contributes about 14% to the GDP and absorbs about 7% of our labour force. Hence the issue of displacement of labour consequent to FDI is of primal importance. There are different viewpoints on the impact of FDI in the retail sector in India, According to one viewpoint, the US evidence is empirical proof to the fact that FDI in the retail sector does not lead to any collapse in the existing employment opportunities. There are divergent views as well. According to the UK Competition Commission, there was mass scale job loss with entry of the hypermarkets brought about by FDI in the UK retail market. This paper highlight is Introduction & Definition of Retail, Division of Retail Industry, FDI Policy in India, FDI Policy with Regard to Retailing in India, Foreign Investor's Concern Regarding FDI in Single and Multi Brand Retail.

We introduce the $2 \times 3 \times 3$ knowledge-capital model, recently proposed by Baltagi et al. (2007) and Utama and Péridy (2009). The theoretical implications are suggested, not only how IIT is determined by country characteristics, such as similarity in market size and factor differentials, but also trade costs as well as regional economic integration. Moreover, it also empirically investigates the determinants of aggregated and disaggregated IIT in five ASEAN countries over the period 1995-2008, concerned with what extent complex FDIs boost IIT. Using spatial panel data model, we find the fact that the empirical results are consistent with the theoretical predictions. Vertical FDI tends to discourage ASEAN's IIT, whereas complex horizontal FDI in neighbours tends to encourage its IIT in ASEAN.

Using a Heckscher–Ohlin model, this paper re-examines Robert Mundell's famous thesis that free trade and unimpeded capital mobility are perfect substitutes. Under very general conditions which, according to many economists, have caused international convergence of factor rewards, we show that in a polluted environment free trade is inferior to free international investment. This happens even though commodity prices and factor rewards are the same with both policies. The practical side of our thesis is that the world will be better off by reducing the volume of trade while removing all barriers to foreign direct investment that at present hamper the service industries.

The Indian retail industry is one of the sunrise sectors with huge growth potential. According to the Investment Commission of India, the retail sector is expected to grow almost three times its current levels to \$660 billion by 2015. However, in spite of the recent developments in retailing and its immense contribution to the economy, retailing continues to be the least evolved industries and the growth of organized retailing in India has been much slower as compared to rest of the world. Undoubtedly, this dismal situation of the retail sector, despite the ongoing wave of incessant liberalization and globalization, stems from the absence of an FDI encouraging policy in the Indian retail sector. In this context, the present paper attempts to analyse the strategic issues concerning the influx of foreign direct investment in the Indian retail industry. Moreover, with the latest move of the government to allow FDI in the multi brand and retailing sector, the paper analyzes the reason why foreign retailers are interested in India, the strategies they are adopting to enter India and their prospects in India. The Findings of the study point out that FDI in retail would undoubtedly enable India Inc to integrate its economy with that of the global economy. Thus, as a matter of fact FDI in the Buzzing Indian retail sector should not just be freely allowed but should be significantly encouraged.

The spillovers of Foreign Direct Investment (FDI) on domestic firms' performances have been highly debated for many years. This article contributes to this debate by analysing spillovers effects on technical efficiency of Indonesian pharmaceutical sector using a unique unbalanced panel of highly disaggregated (at five-digit International Standard Industrial Classification (ISIC)) 210 firms over the period 1990– 1995 (1001 observations). The Stochastic Production Frontier (SPF) and the Data Envelopment Analysis (DEA) based on Malmquist Productivity Indices (MPI) have been used to test the spillovers effects of FDI on technical efficiency. The empirical results from the SPF show that foreign firms are more efficient than domestic competitors, and the presence of the former increases the inefficiency of the latter. Similarly the results from the MPI demonstrate that FDI has a negative and significant impact on technical efficiency changes in domestic competitors, but generate positive spillovers to domestic suppliers.

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TECHNOLOGY INCUBATION CENTERS (TBI'S) ROLE IN PROMOTING ENTREPRENUERSHIP

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ABSTRACT

University, industry and Government have been trying various methods to create an environment for interchange of knowledge and thereby increase productivity and economic growth. Education and research must be geared to relevance, competence, excellence, entrepreneurship and development. Educational institutions must accept extension and public service as a third dimension, in addition to training and research. It is increasingly being advocated that higher educational and research institutions should be involved not only in generating but also in transferring such knowledge to industry and to the society at large. They should act as seedbeds for technological innovation and new industrial ideas. Part of the university function can be seen as generators, storehouses and transmitters of new scientific knowledge to science based industries. They are the vital participants in the technology transfer process. Traditionally, several mechanisms have been employed to develop closer interactions between academic research and industry, such as, use of university faculty as consultants in industry; research projects in university funded by industry.

Keywords: University, Interaction, business, Experiment

INTRODUCTION

The Technology Business Incubator is another mechanism initiated by the National Science & Technology Entrepreneurship Development Board (NSTEDB) to provide advisory, training and information services, management and marketing support, linkages to research faculty and facilities, access to capital, thereby greatly enhancing the chances of success of the early stage technopreneur (Lalkaka, 1996). It is a cost-effective instrument for technology transfer and the development of knowledge-based and high-tech enterprises.

Definition

“A Business Incubator in business speak is a company that helps new and startup companies to develop by providing services such as management training or office

space. Business incubators differ from research and technology parks in their dedication to startup and early-stage companies”.

Certifying Agency and procedure for Technology Business Incubator (TBI's) Approval

Business incubation has been globally recognized as an important tool for economic development and job creation. National Science and Technology Entrepreneurship Development Board is supporting Technology Business Incubators primarily in and around academic and technical institutions to tap potential technology ideas and innovations for venture creation by effectively utilizing expertise and existing infrastructure already available with the host institution.

Objectives of TBI

- New Venture Creation: to promote new technology/knowledge based ventures.
- Technology Commercialization: to provide a platform for speedy Commercialization of technologies developed in the host institution or any academic and R&D institution of the country.
- Interfacing and Networking: to provide networking between academia, industry and financial institution.
- Value Addition: to provide value added services viz. legal, financial, technical, IPR, etc. to incubates.

Eligibility for Proposal Submission

Academic/Technical/R&D and other Institutions with a proven track record in promotion of technology based entrepreneurship. The host institution is supposed to have adequate expertise and infrastructure to support incubation activity.

The proposals are evaluated based on the merit of the Host Institution in promoting technology based ventures. The evaluation is done by the Expert Advisory Committee, constituted by the Department consisting of experts in the domain of R&D, technology development and commercialization, entrepreneurship etc. The Department shall take a final decision to support the TBI based on the recommendation of the Committee.

Literature:

Chandra, He and Fealey (2007) stated that financial services to incubates in many cases include introductions or connections to sources of risk capital for the new venture

and in some rare cases, direct investment by the incubator in its more promising incubatees. McAdam and Marlow (2007) considered business incubators to be an effective support mechanism for new entrepreneurial firms in that they provide basic facilities, office space, administrative staff and expert managers during the volatile start-up and growth process which enables entrepreneurs to reduce operating costs and focus their attention on product development. In addition, the other intangible benefits reported were enhanced firm credibility, access to established business networks and the opportunity to share the challenges of entrepreneurship with peers. They, however, cautioned that as the firms mature, the need to develop independent, secure internal systems could be impeded because of the ready availability of support and advice from the incubator. Aerts et al (2007) in their study found that the tenant survival rate was positively related to balanced screening profile. Hytti and Maki (2007) advised that the technology incubators should segment the client firms in order to provide the right services for the right firms and suggested that the incubators should impose strict graduation criterion at two-year threshold as findings reveal that relatively young firms that have not extended their stay at the incubator for over two years benefit most from the incubator.

Akçomak (2008) prescribed the requirements for successful incubation as; clear purpose and the mission of the incubator; clear selection, entry, and exit criteria; qualified incubator manager; monitoring of firms; providing strategically selected services; providing more of intangible service; use of networking as a deliberate strategy; self sustainability of incubator. Stefanovic, Devedzic and Eric (2008) opined that while business incubation is becoming increasingly important in the developing countries, they are facing difficulties in terms of low education level, insufficient number of innovative ideas, low level of financial resources and insufficient support by government.

Bergek and Norrman (2008) developed a framework consisting of three components: selection, business support and mediation for identifying best practice incubator models and for rigorous evaluations of incubator performance.

Patton et al (2009) prescribed that some of the salient factors that strengthen the incubation process include; a steady flow of new ideas, an empathy with founders, the creation and maintenance of internal and external networks and appropriate exit strategies for firms leaving the incubator. In India, the Science and Technology Entrepreneurs Parks (STEP) and Technology Business Incubators (TBI) program was initiated in the early 1980's and early 2000 respectively by the National Science and Technology Entrepreneurship Development Board (NSTEDB) (2009) promote entrepreneurship. Hanadi et al (2010) recognized that business incubators impact

a wide range of economic activities such as building confidence among the finance community, supporting start up's, promoting a cultural change and help in fostering a culture of entrepreneurship.

TBIs in India

In India, innovation based policy initiatives date back to early 1980s. Economic liberalization and globalization indeed accelerated the need for innovation driven economy as competition from the international market demands product diversification and uniqueness. Thus, in the liberalized era, business incubators played an important role in inspiring young entrepreneurs to focus on innovation based research and transforming it into profitable commercial ventures. As per the official records, there are 120 technology incubators in the country (Manimala, 2011). Among these, 53 are promoted by the NSTEDB of the Department of Science and Technology, Government of India. The National Science and Technology Entrepreneurship Development Board (NSTEDB) is the nodal agency and institutional mechanism that coordinates and control the innovation driven entrepreneurship activities in the country.

There are also 40 Software Technology Parks (STP) that are controlled by the Ministry of information technology. The remaining TBIs are promoted by other government departments, banks, private sector players etc (Manimala, 2011). In the country TBIs are considered as one of the most effective instruments to create job opportunities and trigger economic growth. According to the latest reports, the TBIs functioning under the department of science and technology has so far created 28000 jobs (The Economic Times).

METHODOLOGY:

Objectives:

1. To analyze and evaluate the functioning of business incubators located in universities/premier institutes.
2. To analyze the progress in promotion of entrepreneurship through TBI.
3. To assess the total impact on the immediate neighborhood because of TBI.

Hypothesis:

H01: There is no significant association between type of TBI and their opinions on incubator showcases clients to the community through its Web site, open houses, press releases and other means

H02: There is no significant association between type of TBI and their opinions on during the selection process incubator management gains each company's

commitment to providing revenue, investment, employment and other necessary data through the incubation period and for at least five years thereafter

H03: There is no significant association between type of TBI and their opinions on incubator has sufficient stakeholders (sponsors and supporters) to support its operations, ensure its sustainability and assist in the development of client companies

Sample:

For the purpose of data collection the researcher approached more than 40 TBI's in all over India and distributed survey questionnaires to Director, Manager and Coordinators of respective TBI's to capture their opinions on above said dimensions, to analyze impact of TBI's in developing entrepreneurship skills among youth.

Sample Size:

The researcher distributed nearly 140 questionnaires to Directors, Managers and Coordinators of various TBI's in all over India for valid data, out of these only 100 completely filled questionnaires are able to collect, and those only considered for data analysis and interpretation.

Sampling Technique:

Purposive sampling was adopted for the proposed study, also known as judgmental, is a type of non-probability sampling technique, where the units that are investigated are based on the judgment and personal experience (researcher himself is an incharge of one TBI) of the researcher.

Data Analysis:

Frequency table on type of TBI

		Type of TBI			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Large	22	22.0	22.0	22.0
	Medium	40	40.0	40.0	62.0
	Small	38	38.0	38.0	100.0
	Total	100	100.0	100.0	

The above table revealed that the nature of TBI as major incubators are medium (40%) followed by small 38 % and remaining are large centers.

H01: There is no significant association between type of TBI and their opinions on incubator showcases clients to the community through its Web site, open houses, press releases and other means

Table 2 : Chi square value of incubator client community

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	23.165a	8	.003
Likelihood Ratio	30.675	8	.000
N of Valid Cases	100		
a. 5 cells (33.3%) have expected count less than 5. The minimum expected count is 1.10.			

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 TBI and their opinions on incubator showcases clients to the community through its Web site, open houses, press releases and other means

H02: There is no significant association between type of TBI and their opinions on during the selection process incubator management gains each company's commitment to providing revenue, investment, employment and other necessary data through the incubation period and for at least five years thereafter

Table :3 : Chi square values of Incubator selection process

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	19.669a	8	.012
Likelihood Ratio	25.150	8	.001
N of Valid Cases	100		
a. 7 cells (46.7%) have expected count less than 5. The minimum expected count is 1.32.			

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 TBI and their opinions on during the selection process incubator management gains each company's commitment to providing revenue, investment, employment and other necessary data through the incubation period and for at least five years thereafter

H03: There is no significant association between type of TBI and their opinions on incubator has sufficient stakeholders (sponsors and supporters) to support its operations, ensure its sustainability and assist in the development of client companies

Table: 4. : Chi square values of Incubator stakeholders

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.941a	6	.685
Likelihood Ratio	3.861	6	.696
N of Valid Cases	100		
a. 2 cells (16.7%) have expected count less than 5. The minimum expected count is 4.40.			

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 TBI and their opinions on incubator has sufficient stakeholders (sponsors and supporters) to support its operations, ensure its sustainability and assist in the development of client companies

Discussion of Results:

The study also demonstrates the relationship between policy support and success of TBI / Entrepreneur. This is a self-affirming notion that the success of a business plan, company or TBI depends on effective institutional policy support. The report also validated through the broad surveys conducted for Incubator management. Effective policy support at an organizational and governmental level brings structure, cohesion and discipline to the incubation process. This report elaborated on these findings in the survey for incubators to have clear policies for selection, review and graduation criteria. The selection criteria must emphasize commitment to providing revenue, employment and economic data throughout the incubation period to evaluate performance. Incubator management standards are also determined by policy and must be periodically reviewed to ensure alignment from all stakeholders. Graduation policy must be clearly stated and incubate performance must be measured in milestones towards it. Honest discussions must be conducted including alternatives outside the incubator during review.

CONCLUSION:

In addition to modernising the infrastructures, government should consider its efforts to raise the level of education and technology skills as these can help to make the country remain competitive in the wake of globalisation and fierce competition. As noted repeatedly above, the quality of innovation is an important component of the economic fundamentals that determine the sustainability of a new firm. In addition to attracting investment and facilitating the realisation of commercialisation, these policies will also promote growth and development of local industry. In particular, with better and quality human capital due to education, training and R&D activities, the likelihood for linkages between foreign and local firms is enhanced.

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LEADERSHIP STRATEGIES FOR CONFLICT RESOLUTION IN "I T" PROJECTS

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ABSTRACT

Conflict is endemic to all social life. It is an inevitable part of living because it is related to situations of scarce resources, division of functions, power relations and role-differentiation. Conflicts in software project management are inevitable. The potential for conflict in software projects is usually high because it involves individuals from different backgrounds and orientations working together to complete a complex task. The cause of conflict in team projects can be related to differences in values, attitudes, needs, expectations, perceptions, resources, and personalities. Conflict surface due to limitation of resources, competition and differences in values, goals, attitudes, expectations, etc. If conflicts are not managed properly they may adversely affect the organization. Effective Management of conflict requires the understanding of the concept of conflict. Various attempts to understand the conflict show that the conflict it is a process and moves from one stage to another and finally takes the form of individual, group or class conflicts. Conflict between individuals takes place owing to several factors, but most common are personal dislikes or personality differences. When there are only differences of opinion between individuals about task-related matters, it can be construed as technical conflict rather than interpersonal conflict. Conflicts between an Individual and Groups or intra group conflicts arise frequently due to an individual's inability to conform to the group norms. The present paper focus of what type of leadership qua;itird can resolve these problems in IT Projects.

Keywords: Lead time, Conflict, Mediation, Policies

INTRODUCTION

Leadership is the activity of influencing people to strive willingly for group objectives. A Leader through a style of functioning influences attitudes and expectations, which in turn encourage or discourage the follower's activity or achievement, enhance or diminish the follower's commitment to the work at. The Leaders should develop Trust and Influence the Individuals and Groups and Contractors and Suppliers with dynamism and should be able to resolve conflicts arising between any of these parties.

Conflict resolution involves recognizing and managing the particular conflict. This is an essential part of building emotional intelligence, and nurturing relationships. Poorly handled conflict can affect both the employees and the clients thereby impacting the company's bottom-line. To maintain your competitive advantage, we need the entire organization to focus on developing conflict resolution strategies to quickly and effectively resolve conflict, while building trust and commitment with clients and colleagues. Leaders try to resolve problems and conflicts in any Software Projects as long as they have authority over those conflicts or issues in conflict by using the powers given to them such as Formal, Reward, Penalty, Referent etc.

RESEARCH SIGNIFICANCE

Conflict in the software projects and IT workplace can be incredibly destructive to good teamwork. Managed in the wrong way, real and legitimate differences between people can quickly spiral out of control, resulting in situations where co-operation breaks down and the team's mission is threatened. This is particularly the case where the wrong approaches to conflict resolution are used.

No leadership model exists that will totally eliminate disagreements or clashes of personality conflicts. In fact, the tension that comes from conflict can be healthy and beneficial to growth if dealt with correctly. But it has to be looked at wisely and humanly. When a Leader and other groups meet their mutual expectations, the relationship should produce mutual trust and favorable results and minimize conflicts between the parties.

In many cases, conflict in the workplace just seems to be a fact of life. Different people with different goals and needs have come into conflict. And it will result often-intense personal animosity that can result. The fact that conflict exists, however, is not necessarily a bad thing. As long as it is resolved effectively, it can lead to personal and professional growth. In many cases, effective conflict resolution skills can make the difference between positive and negative outcomes. The discussion needed to resolve conflict expands people's awareness of the situation, giving them an insight into how they can achieve their goals without undermining those of other people. When conflict is resolved effectively, team members can develop stronger mutual respect, and a renewed faith in their ability to work together thus it increases group cohesion. Conflict pushes individuals to examine their goals in close detail, helping them understand the things that are most important to them, sharpening their focus, and enhancing their effectiveness, thus improves self-knowledge.

However, if conflict is not handled effectively, the results can be damaging. Conflicting goals can quickly turn into personal dislike. Teamwork breaks down. Talent is wasted

as people disengage from their work. And it's easy to end up in a vicious downward spiral of negativity and recrimination.

LITERATURE

Conflict in Projects Breakdown in communication is the overarching, most common, and most obvious source of conflict in projects. A lack of trust, respect, effective listening skills, and perceptual differences can lead to serious communication problems. Misinterpretation of a design drawing, a misunderstood change orders delays in delivery of critical components, and failure to execute instructions are all results of some type of communication breakdown. The communication skills of project managers are often put to the test by overlapping areas of responsibility, gray lines of authority, delegation problems, complex project organizational structures, and conflicts among participants. That is why communication is too important to be fully covered by administrative procedures alone. Project managers and their teams must also develop effective communication skills (especially listening skills) to resolve project conflicts. They must learn to create an atmosphere that encourages open communication in order to deal with conflict and gain team members' acceptance of and commitment to project goals. In general, all potential conflict fits one of three categories, although a particular conflict situation may be based on two or more of the categories: 1. Goal-oriented conflicts are associated with end results, performance specifications and criteria, priorities, and objectives. 2. Administrative conflicts refer to the management structure and philosophy and are mainly based on definition of roles and reporting relationships and on responsibilities and authority for tasks, functions, and decisions. 3. Interpersonal conflicts result from differences in work ethics, styles, egos, and personalities of the participants. 4 Project environments are particularly vulnerable to generating conflict. Thamhain and Wilemon have identified seven major sources of conflict in project management based on their research conducted in a private manufacturing company) .

A number of studies have been conducted which discussed the influence of demographic variables on leadership styles. Krishnan and Park (2011) noted that demographic variables have considerable influence on the leadership styles of top managers. Hambrick and Mason (2012) proposed that demographic variables such as age, tenure as a leader, Primary Business Area the leader is working, and educational qualification are all important aspects of leadership that influence organizational success.

METHODOLOGY

The aim of the research design is to ensure empirical evidence to be obtained to satisfy the selected objectives of this study and the empirical data, which can

be interpreted to determine if the research hypotheses set for this research study could be confidently accepted or not accepted. The approach followed consists of identifying specific variables, developing hypotheses, collecting data by survey method through a structurally predetermined questionnaire that will yield data which can be statically tested in support of the hypotheses or not supported.

OBJECTIVES

1. To understand conflicts during creation of career opportunities to employees.
2. To understand schedule conflicts during over all delivery of the project on time.
3. To understand conflicts regarding Rewards and Recognition of team member's achievements.
4. To study conflicts due to communication mechanisms defined in the project.

Hypothesis

H01: There is no significant relation between specific project demographics (Company Type, Managerial Level, Primary Business Area, Software Organization, Project Management Certification, Project Management Experience, Number of people reporting, SDLC Phase, Management Style) and conflicts on project schedules during integration leading in overall delivery of the project as a Conflicting parameter during project implementation.

H02: There is no significant relation between specific project demographics and Project Manager's Interaction with customers to free Requirements and sign-off of deliverables on time as a performance management factor during project implementation.

Research Sample

The target sample is from managers (Project Managers, Program Managers, Group Leaders and Delivery Managers) from different software organizations, who, were well aware of the project management and implementation methodologies of the software projects in the organizations, which are located in Hyderabad and Secunderabad in Telangana, India. The researcher approached delivery heads and HR representative's software organizations to meet the respondents personally or by e-mail and distributed questionnaire and collected the filled questionnaires after one week period.

Sample companies & Respondents

The sample for the present research includes certified / non-certified project

managers from different software organizations. The sample companies include all major software organizations which are located in Hyderabad and Secunderabad. A sample 462 respondents data captured with a structured questionnaire.

Hypotheses based on “Frequently” occurring Conflicts

H01: There is no significant relation between specific project demographics (Company Type, Managerial Level, Primary Business Area, Software Organization, Project Management Certification, Project Management Experience, Number of people reporting, SDLC Phase, Management Style) and conflicts on project schedules during integration leading in overall delivery of the project as a Conflicting parameter during project implementation.

Parameter: Conflicts on project schedules during integration leading to delay in overall delivery of the project.

Hypotheses	Demographic	Pearson Chi-Sq Value	df	Asymp. Sig. (2-sided)	Hypotheses Result
There is no significant relation between specific project demographics and conflicts on project schedules during integration leading in overall delivery of the project.	A. Company Type	19.694	8	.012	Rejected
	B. Managerial Level	20.598	8	.008	Rejected
	C. Primary Business Area	26.610	16	.046	Rejected
	D. Software Organization	6.932	8	.544	Accepted
	Hc. Project Management Certification	18.078	4	.001	Rejected
	I2. Project Management Experience	96.420	76	.057	Accepted
	I3. Number of people reporting	323.550	200	.000	Rejected
	J. SDLC Phase	25.504	20	.183	Accepted
	K. Management Style	54.386	16	.000	Rejected

It may be concluded that there is no relation between Software Organization, Gender, Project Manager’s experience and SDLC phase demographics and conflicts on project schedules during integration leading in overall delivery of the project. It

may be concluded that there exist a relation between Company Type, Managerial Level, Primary Business Area, Project Management Certification, Span of Control demographics and conflicts on project schedules during integration leading in overall delivery of the project.

H02: There is no significant relation between specific project demographics and Project Manager’s Interaction with customers to free Requirements and sign-off of deliverables on time as a performance management factor during project implementation.

Parameter: PM’s regular Interaction with customers to freeze requirements and sign-off off deliverables on time

Hypotheses	Demographic	Pearson Chi-Sq Value	df	Asymp. Sig. (2-sided)	Hypotheses Result
There is no significant relation between specific project demographics and PM’s regular Interaction with Customers to freeze requirements and timely acceptance of Deliverables.	A. Company Type	14.391	8	0.72	Accepted
	B. Managerial Level	13.074	8	.109	accepted
	C. Primary Business Area	39.799	16	.001	Rejected
	D. Software Organization	15.257	8	.054	Accepted
	Hc. Project Management Certification	6.707	4	.152	Accepted
	I2. Project Management Experience	92.066	76	.101	Accepted
	I3. Number of people reporting	87.940	100	.800	Accepted
	J. SDLC Phase	26.764	20	.142	Accepted
	K. Management Style	20.627	16	.193	Accepted

It may be concluded that there is no association between Company Type, Managerial Level, Software Organization, Project Management certification, Project Management Experience, Number of Projects Managed, SDLC Phase, Management style and Project Manager’s regular interaction with customers discussing about requirements freezing on time, on time sign of deliverables.

It may be concluded that there is association between Primary Business Area and Project Manager's regular interaction with customers discussing about requirements freezing on time, on time sign of deliverables.

DISCUSSION OF RESULTS

The data collected from 510 Project Managers, Program Managers and Group Leaders in various software organizations located in Hyderabad city were analyzed with the help of statistical tools for attaining the objectives.

The Analysis started with analyzing the conflicts occurring during software project implementation with respect to five dimensions (Schedule, Cost, Communication, Human Resource and Customers). In order to determine which groups are significantly different from the rest, researcher performed multiple comparison procedures. One of the procedures is Post Hoc Duncan Analysis Test, which arranges the group means in ascending order and provides subsets whose means are significantly different. Duncan Analysis was done for all the demographics for the conflicts parameters and top 10 conflicts occurring "Frequently" were extracted from this study and these were taken to frame hypotheses and for further study.

CONCLUSION

Conflict resolution involves recognizing and managing the particular conflict. This is an essential part of building emotional intelligence, and nurturing relationships. Poorly handled conflict can affect both the employees and the clients thereby impacting the company's bottom-line. To maintain competitive advantage, there is a need for the entire organization to focus on developing conflict resolution strategies to quickly and effectively resolve conflicts, while building trust and commitment with clients and colleagues.

Conflict in the workplace can be incredibly destructive to good teamwork. Managed in the wrong way and with incorrect leadership styles, real and legitimate differences between people can quickly spiral out of control, resulting in situations where co-operation breaks down and the team's mission is threatened. This is particularly the case where the wrong approaches to conflict resolution are used. To calm these situations down, it helps to take a positive approach to conflict resolution, where discussion is courteous and non-confrontational, and the focus is on issues rather than on individuals. If this is done, then, as long as people listen carefully and explore facts, issues and possible solutions properly, conflict can often be resolved effectively.

Conflict resolution processes and techniques provide a comprehensive and flexible system for maximizing delivery excellence and achieving better profitability for the projects. It has been considered as an inevitable approach to process improvements in the software organizations through effective use of statistical methods. This study resembles the key parameters any management team should consider before conflict resolution process is implemented in their projects. All these parameters are important for the successful implementation of conflict resolution process through appropriate leadership styles for any software project to consider. If any of these parameters are missing during the implementation of software projects, it would be the difference between a successful implementation of conflicts in the project and a non successful delivery with non-cohesive team with conflicts within themselves and with other stakeholders and with managers and ultimately a waste of resources, energy, time and money by the sponsor of the project.

Outcomes of the Conflict Resolution process would be:

- Increased Quality of the Deliverables
- Increased employee morale
- Increased employee productivity
- Increased employee communication
- Increased customer satisfaction and customer base and Increased profitability of the organizations.

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A STUDY ON SOCIO ECONOMIC FACTORS ITS IMPACT ON TWO WHEELER PURCHASE IN GHMC (OUTSKIRTS)

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ABSTRACT

Motor cycle is the most popular two wheeler vehicle in India particularly in rural areas as it is most suitable for rural roads. Two wheelers manufacturers have been adopting innovative marketing strategies. The days of heavy two wheelers like Bullet and Java are no more and new sleek and stylish attractive models (such as, splendor plus, super splendor, Bajaj CT 100, Pulsar, etc.) are popular products. Declining prices, fuel saving and trouble less driving, low maintenance and stylish two wheelers pushed up the sales of two wheelers particularly motorcycles in India in recent years. Increasing income levels, awareness regarding comfort as well as standard of living and increased contact with big towns are the factors responsible for wonderful growth rural marketing in recent years. In addition, bank credit has become easily available at affordable interest rates. Indian Two-Wheeler Market is noticing a continuous upsurge in demand and thus resulting in growing production and sales volume. This owes a lot to the launching of new attractive models at affordable prices, design innovations made from youths' perspective and latest technology utilized in manufacturing of vehicles. The sale of two-wheeler products has increased substantially. The sales volumes in the two-wheeler sector shot up from 15 percent to 24 percent between 2011-12 and 2016-17. The present study is an attempt to understand as to how rural consumer purchases two wheelers? What are their preferences? Which are the factors that affect purchasing decisions? How rural consumers behave while purchasing? The main objectives are to understand the factors influencing the buying behavior of rural consumers in relation to various

Motor cycles to know about the brand preferences of rural consumers regarding Motor cycles.

Keywords: Mileage, Salary, Farm Needs, Daily travel

INTRODUCTION

Two-wheeler makers are optimistic about a bumper festive season, expecting a swing in demand following hikes in the salaries of government employees after the seventh pay commission recommendations. But analysts said the impact will only be marginal and that retail sales will be a true reflection of the demand on the ground. “Will get to know of actual sales only at the end of the tenth day period,” said an analyst at a domestic brokerage asking not to be identified. He expected sales to cool off from November, after the end of the festival season. Manufacturers report despatches to dealers. The most important days for two-wheeler firms are Dussehra—the tenth day of the Durga Puja—and Dhanteras, the day before Diwali, which is considered auspicious for big-ticket purchases. Hero, which sells four out of 10 models in rural markets, is the biggest beneficiary of an upturn in rural demand. The Rural Demand Index of Citi India’s Economic Research for 2016 (average January-June) is up ~13% over the average for 2014 and 2015, the two drought years, wrote Samiran Chakraborty and Anurag Jha, economists at Citi India, in a 3 October report.

In the fast lane

Two-wheeler sales advanced in September on revival in demand in the rural areas following a good monsoon.

Companies	Volumes (units)	Year-on-year growth (%)
Hero MotoCorp	674,961	11
Honda Motorcycle and Scooter India	539,662	31
TVS Motor	253,974	33.6
*Bajaj Auto	230,502	23
Yamaha	89,423	33
Royal Enfield	56,958	30

Domestic sales; *only motorcycles

Source: Companies

However, it is still down ~20% from the average of 2010-12 when rural demand was at its strongest. The macro factors in the rural index are pointing towards an even

sharper recovery in July-August which could be an early indication of the impact of a good monsoon, they wrote. Meanwhile, Honda Motorcycle and Scooter India Pvt. Ltd, the second largest in the pecking order, also notched up a record month, with monthly sales crossing the 500,000-mark for the first time. Honda's sales zoomed 31% to 539,662 units over a year ago.

Hero MotoCorp Ltd, the market leader, on Monday said it dispatched 674,961 units in September, up 11% over a year ago. This was the highest monthly sales reported since October 2015 when it sold 639,802 units, the Pawan Munjal-led firm said. The maker of Splendor and Achiever brands attributed the sales to the successful launch of the Glamour 125cc and Splendor i-Smart, an indigenously developed motorcycle, and a positive trend maintained by the new scooter line-up. Hero said this is the second consecutive month that it has sold 600,000-plus units after clocking 616,424 unit sales in August, and the fourth this calendar year.

Literature

George, Sunila;Jha, Raghbendra; Nagarajan andHari, K. (2014) The evolution of the industry's competitive structure is traced using Kendall's Index of Rank Concordance and the Evans Karras test of convergence. The industry seems to be characterized by oligopoly with the onset of economic reforms not making much difference to industrial structure. The values of the Her find Index also indicated that the three segments of the industry have responded in different ways to changes in the forces of competition. This was an outcome of liberalization which led to an unequal number of entrants in each segment. It was found that the motorcycle segment has had a greater number of entries than did the scooter or moped segments. From the results of the Evans and Karras convergence test it can be inferred that in the scooter and motorcycle segments inter brand transmittal of information through promotion, product development, pricing etc. is likely to be effective in influencing the growth rates of other firms in these segments. The firms in the moped segment on other hand, probably compare themselves with firms in another segment (such as motorcycles) or with other modes of transport and are therefore not inter-dependent. This would explain why convergence is conditional in this segment.

Kanojia, A.K. (2015) States that top 4 motorcycle segment control 93% market share. Hero Moto Corp controls executive segment, Bajaj has premium segment and Honda has the dominant position in scooter segment. The author studied about various factors responsible for Hero Moto Corp being able to sustain leadership like highest network penetration, highest customer satisfaction with one of the fastest complaint resolution

Bijapurkar, Rama. (2016) Explores the arena of consumerism in India and the strategies that are developed to please the consumer. In this book, the author tries to give readers some information about the environment in which consumers live; the way they think, their heterogeneous nature and their transformation is discussed. India being an emerging market in the world, there are a lot of business opportunities. The author tries to teach readers how to be ready to grab these opportunities and use them. A Never before World contains major inferences needed to evaluate the business opportunities and figure out the current market strategy.

METHODOLOGY

Objectives

- 1) To know the rural consumer pulse towards two wheeler purchase decision
- 2) To identify impact of promotional practices on sales decision.
- 3) To identify cost efficient and economic factors in purchase decision.

Hypothesis

H01: There is no significant impact on different schemes impact on rural promotion and sales

H02: There is no association on service efficiency have impact on bike sales in rural areas.

H03: There is no correlation between bike maintenance cost and promotional impact on sales

Sample

The rural consumers who are recently purchased two wheelers in rural Hyderabad villages like Nadergul, Vattinagula palli, Qutbullahpur, Kandlakoya are considered as valid sample for the study.

Sample Size

A sample of 100 consumer's feedback captured with a structured questionnaire containing questions on socio –economic factors of bike buyers.

DATA ANALYSIS

Factor Analysis (More Impacted Promotional Factors)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.786
Bartlett's Test of Sphericity	Approx. Chi-Square	577.249
	df	21
	Sig.	.000

Before we proceed for factor analysis first the researcher tested the eligibility of the data by checking KMO- Bartlett's test which is a measure of sampling adequacy. The KMO value is 0.810 > 0.6. Bartlett's Test of Sphericity indicates a measure of the multivariate normality of set of variables (Sig. value is less than 0.05 indicates multivariate normal and acceptable for factor analysis).

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.524	50.344	50.344	3.524	50.344	50.344
2	2.115	30.219	80.562	2.115	30.219	80.562
3	.633	9.043	89.606			
4	.392	5.600	95.205			
5	.139	1.989	97.194			
6	.114	1.625	98.819			
7	.083	1.181	100.000			

Extraction Method: Principal Component Analysis.

The variance matrix indicating 80 % (statistically 65% variance valid) variance on tested variable, i.e 20 % of other factors are influencing on bike promotional activities.

Component Matrix

Component	Factor Values	
	1	2
Attract	.892	-.181
New Bike	.608	.304
Service	.905	.099
Price	.565	-.506
Advertisement	.087	.895

Prestige	-.406	.948
Preference	.771	.451
Extraction Method: Principal Component Analysis.		

a. 2 components extracted.

Inference: The most influencing factors on consumers with reference to Hero Bike Promotional factors are Service center availability and its efficiency after purchase of bike and, the second factor is Prestige issue for individual to buy bike only .

H01: There is no significant impact on different schemes impact on rural promotion and sales

Test Statistics

	5.Scheme
Chi-Square	2.800a
df	4
Asymp. Sig.	.592

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 20.0.

The above Chi square table significant value indicating that , the value is greater than 0.05, which is accept the Hypothesis, i.e the different promotional activities may not have huge impact on sales and it depends on customer income and spending capacity.

H02: There is no association on service efficiency have impact on bike sales in rural area.

Test Statistics

	8.Service
Chi-Square	7.900a
df	4
Asymp. Sig.	.015

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 20.0.

The above Chi square table significant value indicating that , the value is less than 0.05, which is Reject the Hypothesis, i.e the service efficiency provided by different bike sellers have huge impact on bike sales , if good and reliable service given by

company more number of bikes will be sold.

H03: There is no correlation between bike maintenance cost and promotional impact on sales

	14. Maintanace
Chi-Square	39.700a
df	4
Asymp. Sig.	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 20.0.

The above Chi square table significant value indicating that , the value is less than 0.05, which is Reject the Hypothesis, i.e irrespective of any company bike the consumers are certainly think about maintenance cost of a particular bike, which is highly dominating on promotional activity of bike.

Discussion of Results

Marketer should be very cautious in confirming that feminine characteristic should not be attached with motor bike. Indian consumers are accepting the western culture but yet they do not want to see their motor bikes as a western product. For consumers, motor bikes can be one of or combination of these – ‘sophistication’, ‘sincerity’, ‘ruggedness’, ‘competent’, ‘conspicuousness’ and ‘imaginative’. Consumers see Splendor as ‘rugged’; Bajaj as ‘sophisticated’ and ‘competent’; and Discover as ‘sincere’ motor bike. Agreeable people who are highly educated earning from private job are best target for Discover motor bike. Marketers should try to target these people by making them aware with functional utilities of motor bike. Rationality would be better theme to use for these people. Activa would be best choice for extrovert people who are young and earning handsomely doing private job or their own business. Hero bikes should be projected as style statement so that it can appeal to younger generation. Splendor would be given preference by open personality people who are graduates and postgraduates. Marketer of Splendor should try and do experiments with motor bike as these people are also open to new experiences. There exists relationship between human personality of individuals and brand personality of the motor bikes which they possess. ‘Open’ personality people would not have any specific preference. ‘Agreeable’ consumers would prefer a ‘sincere’ motor bike. ‘Extrovert’, ‘conscientiousness’ consumers would prefer a ‘competent’, ‘conspicuous’; and ‘competent’, ‘sincere’ motor bike respectively. There is no relationship between neurotic individuals and their preference for motor bikes.

CONCLUSION

The rural consumers in Hyderabad preferred , due to most of them are farmers and farm related business people which reflect the impact of bike purchase with reference to more mileage less maintained cost and cheap and best product, which is more useful in their village roads and not focusing much on grocery and extra fittings except side carriers. Most of them are using to carry their children's from schools and using to satisfy their daily family needs. A majority of respondents focusing much on more mileage and less extra burden cost and preferring to spent least cost on monthly basis.

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DEVOLUTION OF TAXATION REVENUES BETWEEN THE CENTRE AND STATES UNDER THE NEW GOODS AND SERVICES TAX SYSTEM – A STUDY

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ABSTRACT

Independent India has a plural and multi-cultural society which has interactive pattern and includes individuals with various languages, history, administration, ecology and a multi-varied history. The thrust of Indian Federation can be seen from the constitutional provisions relating to the distribution of legislative, executive and financial powers between the Centre and States of India. The Goods and Services Tax which has been passed by the passage of the Constitution Amendment Bill has accelerated the reconfiguration of tax reforms which have been the most dramatic since India has attained independence. A central feature of the new tax framework – defined by the nation of ‘One Nation, One Tax’ – is the creation of the GST Council. The way it has been designed, the Union government has only one-third say in decisions taken by the GST Council, while the rest is accounted for by the states, and all decisions have to be carried by a three-fourth majority. The endeavor of this paper is to study the distribution of financial powers between the Union and the States in the light of evolving Centre-State financial relations and the distribution of resources between the Centre and the States in view of the Finance Commission and the Goods and Services Act.

Keywords: GST, Finance Commission, India, Taxation, Inter-se, FRBM.

INTRODUCTION

A federal system of government is one in which there is a division of powers between one general and several regional authorities each of which in its own sphere is co-ordinate with the others, and each of which acts directly on the people through its own administrative agency. When functions and resources are divided between two layers of a government in a federation, some necessity of financial adjustment always arises. An expanded role for the Finance Commission and the RBI will help reduce the leverage of the Planning Commission over state spending. That, in fact, is necessary if one wants to depoliticize Centre-State Financial relations. The

Planning Commission would then have to find its role as the manager of a policy dialogue between the Centre and the States and civil society, and as an independent evaluator of performance.

Federal – State financial relations in India, constitute an important set of determinates in shaping the destiny of Indian economy in its diverse aspects and it is natural that they command a keen interest. Currently there is a good deal of dissatisfaction with the working of the Centre-State financial relations in India resulting in comments on the role of the Central Government and the States. The Centre is blamed for betraying the trust reposed in it by the fathers of the Constitution. The States believe that the Centre has been unmindful of their interests in welfare and developing society and that within the technical frame work of the Constitution, there has been a policy of making the States increasingly dependent upon the Centre. Also the States are often blamed for lack of responsibility and indifference towards financial discipline and resource mobilization. All this denotes the desirability of having sound and stable Centre-State financial arrangements and ensuring satisfactory working thereof. Another challenge is to ensure that competition among the states does not lead to fragmentation of the market. That is why the Centre must bend over backwards to ensure that the goods and service tax is agreed on and implemented before political confusion hits India in 2014. Reducing market fragmentation also requires reforms in the laws on agricultural marketing as well as the removal of local entry taxes or discriminatory taxes on interstate transport. In the longer term, investments to improve the logistics of interstate trade will help in the emergence of a national market that is the best guarantor of national unity. We must also ensure that policy confusion and dithering by a weak Centre do not hold back what the states can do for themselves. Tolerance of diversity in policies and delivery systems will allow innovation at state level. Allowing many flowers to bloom may be a better way to ensure performance than some one-size-fits-all reform.

There are certain areas of development policy in which strong states cannot substitute for a weak Centre which could be in the areas of macroeconomic management, foreign trade and foreign investment policy, and regulation of infrastructure like power lines, telecom, national highways that traverse state boundaries are some examples. Effective federalism requires that the impending weakness in higher direction is compensated by vigorous implementation of fiscal responsibility norms, reduced discretionary powers and more regulatory independence at the Centre. There is a need for a thorough restructuring of Centre-State relations, in order to correct existing imbalances and strengthen the federal system by empowering the States with genuine autonomy, is therefore being felt strongly. A federal state always has a distribution of powers. Indian Constitution specifies about the distribution

of revenues where exclusive powers are given to the State, to collect taxes and exclusive powers rest with the Union in respect of taxes. The scheme of distribution of revenue from taxes between the Center and the States is based on the provisions of the Government of India Act, 1935. The Indian Constitution incorporated a very elaborate scheme of Centre-State financial relations. It has two important features. They are (1) a complete separation of Central-State taxing powers and (2) massive transfer of funds from the center to the states. Financial relations between the Center and States are flexible and adaptable to changing needs.

Tax-Sharing

Constitution provides for a Centre-State tax sharing on a big scale. States use all revenue accruing to them from their taxes, but all taxes leviable by the Centre are not meant for its exclusive use. The Center is required to share some of its taxes with the states. In recent years, services have emerged as the dominant component in the gross domestic product (GDP). Yet there is not mention in the Constitution in any of the three lists (Union List, State List, Concurrent List) enabling any level of government to tax services. The Union has used the residuary power in the last entry of the Union List (Entry 97) to levy taxes on selected services. The efforts have not succeeded in tapping the full potential of the service sector of a vast range of services which are primarily local in nature. It is necessary to enhance the revenue potential of the States in view of their major responsibilities for social and physical infrastructure. It might be worthwhile to provide explicitly for taxing power for the States in respect of certain specified services. For the Union also an explicit entry would be helpful, rather than leaving it to the residuary power of entry 97. However, it may be better to first let a consensus list of services to be taxed by the States come into force to be treated as the exclusive domain of the States, even if the formal taxing power is exercised by the Union. In other words, the golden rule here would be to hasten slowly. A de facto enumeration of services that can be taxes exclusively by the States should get priority from policy makers with a view to augmenting the resource pool of the States. The Commission recommended specific enumeration of services that may become amenable to taxation by the States. This is necessary with a view to augmenting the resource pool of the States.

Goods and Services Tax (GST) has replaced many Indirect Taxes in India. The Goods and Service Tax Act was passed in the Parliament on 29th March 2017. The Act came into effect on 1st July 2017. The impact of the proposed Goods and Service Tax on the finances of Centre and States and the mechanism for compensation, in case of any revenue loss is a major issue between them. A series of changes have taken place in the taxation of services since its introduction, both by bringing in more services under the tax net and by periodic revision of the rates of taxation.

The Fourteenth Finance Commission (FFC) has recommended an increase in tax devolution to states with “the twin objectives of increasing the flow of unconditional transfers to the States and yet leave appropriate fiscal space for the Union to carry out specific purpose transfers to the States”. This recommendation of the FFC is transformational in nature, and if implemented in a true spirit, will address the long-standing issue of the demands placed on states by a proliferation of centrally sponsored schemes (CSS) and the resultant significant increase in conditional transfers to states. In fact, the FFC recommendation was not intended to increase the fiscal space of states. The FFC expected that the Union Government will utilize its available fiscal space to continue to address the needs and expectations of the states and ensure the prevailing level of transfers to states of about 49% of its gross revenue receipts during the award period. After the implementation of the GST the devolution of taxes between the Centre and the States has been decided by the FFC as follows :

Individual State’s Share

Firstly, the share of states in the net tax revenues of the Centre is evaluated. For this purpose it is necessary to assess the vertical gap between the Centre and the states. The vertical gap is the difference between the normatively assessed expenditure share and revenue capacities of the Centre and the states. Almost all other indirect taxes – except custom duty collected by the Central Government, and duty on petroleum, electricity, and alcohol, levied by the State Governments – are supposed to be subsumed under the GST to simplify the tax system and to relieve producers and suppliers from paying multiple indirect taxes. Both the Central and the State Governments would levy GST on the same tax-base on all the transactions of commodities and services and there would be two rates, the Central Goods and Service Tax (CGST) and the State Goods and Service Tax (SGST) respectively, for an understanding of revenue sharing.

Inter-se Revenue Share of States

(percent)

States	Share of States
Andhra Pradesh	4.305
Arunachal Pradesh	1.370
Assam	3.311
Bihar	9.665
Chhattisgarh	3.080
Goa	0.378

Gujarat	3.084
Haryana	1.084
Himachal Pradesh	0.713
Jammu & Kashmir	1.854
Jharkhand	3.139
Karnataka	4.713
Kerala	2.500
Madhya Pradesh	7.548
Maharashtra	5.521
Manipur	0.617
Meghalaya	0.642
Mizoram	0.460
Nagaland	0.498
Odisha	4.642
Punjab	1.577
Rajasthan	5.495
Sikkim	0.367
Tamil Nadu	4.023
Telangana	2.437
Tripura	0.642
Uttar Pradesh	17.959
Uttarakhand	1.052
West Bengal	7.324
All States	100.000

New Frame work for devolution of taxes

After the Government of India has constituted the NITI AAYOG it has recommended that the sharing pattern between the States and the Union would be in the ratio of 90:10 in case of north eastern and Himalayan States and 60:40 for all other states.

CENTRAL TRANSFERS TO STATES

(Rs.in crore)

Type of Transfer	2014-15 BE	2014-15 RE	2015-16 BE
1. Tax devolution	3,82,216	3,37,808	5,23,958
2. Plan grants	3,30,764	2,71,724	1,96,743
3. Non-Plan grants	69,936	80,258	1,08,552

Total Transfers on Revenue Account (1 to 3)	7,82,916	6,89,790	8,29,253
Gross tax revenue of the Centre	13,64,524	12,51,391	14,49,490
Gross revenue receipts of the Centre	15,77,029	14,69,222	16,71,223
Total transfers as % of gross tax revenue	57.38	55.12	57.21
Total Transfers as % of Gross Revenue Receipts	49.64	46.95	49.62

Source Union Budget 2015-16

**Consolidated Fiscal Road Map Recommended by the
14th Finance Commission**

(All figures as % of GDP)

	2015-16	2016-17	2017-18	2018-19	2019-20
Debt Stock-Union	43.60	41.41	49.49	37.79	36.30
Debt Stock-States	21.90	22.06	22.21	22.30	22.38
Outstanding Union loan to states	0.97	0.81	0.66	0.54	0.44
Consolidated outstanding debt	64.53	62.67	61.03	59.55	58.24

(Source – Report of the Fourteenth Finance Commission)

Instead of terminating united formula-based plan assistance, the Centre could have easily reduced the number of CSSs. There are too many schemes and sub-schemes where the allocations are meager and constitute a very insignificant proportion of the amounts being spent on these sectors by the states from their own resources. Instead of spreading resources too thinly across a number of sectors and sub-sectors and overburdening the implementation agencies at the state level restricting the number of CSSs to core areas like education, health, drinking water, sanitation, women and child welfare, etc, will result in faster and lasting benefits. The Chaturvedi Committee (Planning Commission 2011) had observed that rapid increase in CSS and the need for matching contributions has led to pre-emption of states' resources for their priority schemes. So far, there has been no major reduction in the number of CSSs, except regrouping them under certain umbrella heads and showing a reduced number. It is necessary to move away from the one-size-fits-all approach and allow states to adopt guidelines specific to them and reallocate funds across the sub-sectors within the allocation for a scheme. Costs vary widely across states and uniform cost norms under a one-size-fits-all formula may not work. The focus should be more on

outcomes than adherence to rigid guidelines. As recommended by the Chaturvedi Committee, states may be allowed flexibility with regard to physical norms taking into account variations in geographical, demographic and economic conditions across states. In addition, flexible funds need to be increased from the present 10% to at least 20%.

CONCLUSION

The question to be confronted here is not of the feasibility of amending the Constitution for implementing GST; the vital concern is about the future of Indian fiscal federalism, and the degree of inequality within our democracy. Hence, cost-benefit analysis must be done more seriously before undertaking such a big tax reform in the country. The GST should be designed more carefully from a more holistic point of view considering the Indian context, keeping all the possible trade-offs in mind. The policy recommendations that logically emerge from the above discussion can be articulated in the following manner. More emphasis should be put on direct taxes for improving India's abysmally low tax-GDP ratio for arresting the inequality situation in the country from worsening further. Each individual state should have the freedom to set their own SGST rates for different commodities and services with some provisions for entry tax in order to preserve the fiscal autonomy of the State Governments. The calculation of RNR for the Central Government should be done separately for determining the CGST rates, which would be uniform across all the states. Since the Centre has to give some compensation to the states with larger excise duty bases, and since the central revenue receipts from GST would be part of the divisible pool, the weighted average CGST rate (as a percentage of GDP) should be made accordingly so that the Central Government also does not make any net revenue loss. The IGST rates would naturally vary from State to State depending on the different SGST rates of respective states. Also, the Government should take the required extra steps for enhancing growth and keeping inflation in check as implementation of the GST, per se, would not necessarily help in achieving these objectives. The Government should also make conscious efforts to improve tax-compliance as the introduction of GST cannot automatically ensure it. If compliance improves, obviously, the GST rate also does not have to be too high. As a result, the incentives of tax evasion are also likely to come down.

On the basis of this analysis, it can be concluded that post the FFC award, aggregate transfers as a percentage of GDP has increased due to the increase in tax devolution, while grants as a percentage of GDP declines. Aggregate transfer to states for 2016-17 (BE) is more than 67% of the divisible pool of taxes. Scope for further increase in the share of transfers from divisible pool is limited given the resource requirement of the Union Government to finance its own expenditure commitments. However,

increasing recourse to cess and surcharge by the Union Government, which are not shareable with the states, has become a permanent instrument of resource mobilization. Though this budget abolished 13 cesses, the share of cess and surcharge in gross tax revenues continues to be high. Continuing with this practice would mean denial of national revenue to the states, which is against the spirit of the Constitution. Also when the country is moving towards an integrated GST, it is time these levies are discontinued for smooth transaction to the new tax system.

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GST IN INDIA: CONCEPT AND THE SALIENT FEATURES

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INTRODUCTION

In 2016-17, the finances of states were budgeted to improve at the consolidated level from the sharp deterioration in 2015-16 where the revised estimates (RE) of the gross fiscal deficit-gross domestic product (GFD-GDP) ratio breached the threshold of 3 per cent for the first time since 2004-05. The turnaround was premised on a surplus in the revenue account alongside a decline in loans and advances even as states planned for an increase in capital outlay so that fiscal consolidation is achieved through revenue augmentation rather than growth inhibiting expenditure reduction. Key to the sustainability of this strategy over the medium term is the legislative approval of the Goods and Services Tax (GST) Act in September 2016 and its subsequent enactment into law with likely implementation from July 1, 2017. The GST is widely regarded as a critical structural reform with broader ramifications in terms of growth, inflation, fiscal viability and external competitiveness. Accordingly, this year's report adopts the GST as its theme.

The introduction of the GST is likely to have an enduring impact on state finances over the medium term for several reasons. First, with states being unable to rationalize their committed expenditure burden (viz., pension liabilities, interest obligations and administrative expenses) in the near term, revenue expansion through GST implementation is a prudent strategy in remaining committed to the path of fiscal consolidation. Second, the GST is likely to chart out a new course for cooperative federalism in India focusing on cooperation between the Centre and states in deciding on (i) tax rates, (ii) exemptions and (iii) commodities featuring in each category of tax rate/slab. Finally, GST implementation may result in augmenting the shareable pool of resources which would result in greater transfer of resources from the Centre to the states. Cumulatively, these issues are likely to have a profound impact on state finances in the coming years. The GST is a destination-based single tax on the supply of goods and services from the manufacturer to the consumer and is one indirect tax for the entire country. GST will replace multiple taxes such as central value added tax (CENVAT), central sales tax, state sales tax and octroi. A common base and common rates across goods and services and similar rates across states and between Centre and states will facilitate better tax administration, improve tax compliance, alleviate cascading or double taxation while also ensuring adequate tax collection from inter-state sales.

The integrated goods and services tax (IGST) Act, 2017 applies to movements of goods and services from one state to another. It is not a separate tax but a sum of CGST and SGST. The major advantages of IGST model are (i) maintenance of uninterrupted input tax credit (ITC) chain on inter-state transactions; (ii) no upfront payment of tax or substantial blockage of funds for the inter-state seller or buyer; and (iii) no refund claim in exporting state as ITC is used up while paying the tax. It will facilitate the seamless flow of ITC across states as it is a destination based tax, i.e., the IGST amount will be apportioned between the Centre and states although the power to levy and collect IGST lies with the Centre to ensure that a single coordinating agency administers it. Collections under the IGST are to be deposited into an IGST account administered by the Central Government and will be distributed between the Central Government and the consuming states on a mutually agreed formula epitomizing the spirit of cooperative federalism. The IGST will also apply to imports and exports of goods and services into/from India and any import/export of goods or services into/from Indian territory shall be deemed to be supply of goods and services as inter-state trade or commerce. The IGST will be governed by the Central Government under the administrative control of CBEC. Although states also want to control the IGST mechanism, the Centre is of the view that it should have sole administrative authority over IGST. By a special provision in the law, however, states can be empowered to collect IGST. In case of any dispute between states over the place of supply, the Centre will have the power to administer those assesses and collect taxes. The levy of IGST, however, can commence only after the GST law has been enacted by all the legislatures, as it would have to be synchronised through the simultaneous participation of the Centre and all the states.

LITERATURE REVIEW

C.A. Sudhir Halakhandi (2009) in his article entitled "Goods and Service Tax - An Introductory Study", this article focuses on how this tax system will work, and discusses the problems likely to be faced by the Central Government while introducing this tax. It also briefly touches upon the Present state level VAT and Central Service Tax. He highlights that there is no principle difference between present tax structure under VAT and GST as far as the tax on goods is concerned because GST is also a form of VAT on Goods and services. Here at present the sales tax, with an exception of CST, is a VAT system and in case of service tax the system also has the CENVAT credit system hence both sales tax and service tax are under VAT system in our country. At present the goods and services are taxed separately but in GST the difference will be vanished. The overall system of GST is very much similar to the VAT, which can be considered as first step towards GST.

Thirteenth Finance Commission On National Council Of Applied Economic Research In Their Report (2009) states that the broad objectives of this study refers to analyzing the impact of introducing comprehensive goods and services tax (GST) on economic growth and international trade; changes in rewards to the factors of production; and output, prices, capital, employment, efficiency and international trade at the sectoral level. Analysis in this study indicates that implementation of a comprehensive GST in India is expected to lead to efficient allocation of factors of production thus leading to gains in GDP and exports. This would translate into enhanced economic welfare and returns to the factors of production, viz. land, labour and capital.

Rendahl, Pernilla in his thesis titled “Cross-Border Consumption Taxation of Digital Supplies: A Comparative Study of Double Taxation and Unintentional Non-Taxation of B2C E-Commerce” highlights that the Consumption taxes such as a value added tax (VAT) or a goods and services tax (GST) is an important revenue source for several countries, not least within the European Union (EU) which has had a harmonized VAT since the end of the 1960s. The intention of consumption taxation is to tax expenditures made by persons for their private purposes, i.e. the tax burden is carried by the final consumer.

R Kavita Rao in her article entitled “Goods and Services Tax: The 13th Finance Commission and the Way Forward” analyses the significance of this commission as required to look into the revenue impact of the introduction of the goods and services tax. Its report, based on the recommendations of a task force constituted to study the issue, recommends a highly uniform and centralized format that does not adequately recognize a tax reform exercise in a multi-level fiscal system that involves compromises and trade-offs. While several flaws can be pointed out in its design, developments that have taken place before and since the report was submitted have to a large extent rendered the commission’s recommendations irrelevant. All this underlines the need for a model that goes beyond uniform rates of tax and allows states to vary beyond a floor, with a fixed classification of commodities and services, so that they can choose an appropriate rate to ensure that their revenue requirements are met. In her Concluding Remarks Given the approach adopted by the THFC and the developments that have taken place before and since its Report was submitted, its interventions in the GST arena have been rendered irrelevant. While the union government did initiate discussions on the lines suggested by the THFC, the discomfort voiced by states has changed the trajectory of the talks. In the dialogue until the second draft of the constitutional amendment bill, the centre has given up the veto power proposed for the union finance minister and also agreed to dilute the demand for uniformity. While what exactly this entails will be revealed in the days to come, what is apparent is that the highly centralized model of the THFC is

not in play anymore. While there is some open-endedness on what the GST regime will mandate as essential for all states, it is desirable to retain some commitment or conformity on the following issues. Classification of goods and services: While the states may be allowed to choose the rates associated with different categories of goods or services, the classification of goods and services into different categories should remain the same across all states and the Central government.

Kumar Satyakam in his paper "Goods and Services Tax: future of India" he has given the meaning of GST, its advantages, various problems to be faced while implementing GST and emphasized on the recommendations of Joint working Group of Empowered Committees guidelines for better administration and the suggestions for the state and central government for its preparedness. To conclude, it may boost our economy and enable us to compete at the global front. As a result, even our system may match the international phenomenon. This is the biggest advantage of GST. Every system has its own intricacies embedded at the initial stages. Lower incidence of tax, reduced prices, a move towards the global concept, reducing cost of tax compliance, better revenue collection, an efficient and harmonized consumption tax system in the country all this looks good on the card, but is it really so easy to implement? Keeping the various constitutional, technological, procedural and political barriers, the job seems easier said than done. The author has brought out the strength, weakness, opportunities and threats of the present VAT system.

VAT or Value Added Tax was first introduced in France somewhere in 1954. The concept of VAT is applying a tax only on the value added by each person at each stage; by allowing the person input credit of taxes paid upto his stage of procurement. Thus the tax is expected to reduce the concept of 'tax on tax', increase the gross domestic product of the economy and reduce prices. Overall it is known to be beneficial to both the consumer, business and the Government. In India, there are different indirect taxes applied on goods and services by central and state government. GST is intended to include all these taxes into one tax with seamless ITC and charged on both goods and services. Thus excise duty, special additional duty, service tax, VAT to name a few will get repealed and will be added into GST. For this, GST will have 3 parts CGST, SGST and IGST. The central taxes like excise duty will be subsumed into CGST and state taxes like VAT into SGST. For the introduction of GST in the above form, the Government needs to get the Constitution Amendment Bill passed so that the proposed objective of subsuming all taxes and allowing states to tax subjects in Union list and vice versa is achieved. Without these powers it is not legally possible to move towards GST.

Thus going forward on all transactions of both goods and services, only one tax

will apply which is GST comprising of CGST and SGST. IGST would be applied instead of SGST for interstate transactions. Input credit of all these taxes will be available against all the respective outputs. For successful implementation of GST, it is necessary that the Government at both centre and state levels, agree to merge all their taxes into CGST/SGST. Further, the base for taxation for both has to be the same. The exemptions, abatements etc. under GST need to be common for both centre and all states to avoid litigation. Further exemptions/exclusions should be minimum to avoid break of credit chain. The law needs to provide for single point compliances, absence of multistate audits etc. for the assessee. Conceptually GST is expected to have numerous benefits like reduction in compliances in the long run since multiple taxes will be replaced with one tax. It is expected to bring down prices and hence the inflation since it will remove the impact of tax on tax and enable seamless credit. It is expected to generate revenue for the country as the tax base will increase as the GST rate will be somewhere around 27% with both goods and services covered. It is also expected to make exports from India competitive and India a preferred destination for foreign investment since GST is a globally accepted tax.

To this goal, in 2012 the Government introduced the Negative list regime of taxation and Place of Provision of Services Rules, 2012. They have also recently circulated the draft Place of Supply Rules towards GST which has certain drastic differences from the earlier rules. Even in the Budget of 2015, the Government has shown its intention of moving towards GST by increasing the excise rate to flat 12.5% and service tax rate to flat 14% and removing the applicable cesses. Thus once the Constitution Amendment Bill is passed the much awaited GST will be introduced. Financial service industry – specifically financial institutions like Banks and NBFCs are the backbone of any economy. They are the drivers of the economy and contribute approximately 6% of the indirect taxes. Thus they are a significant player and an adverse impact on the sector impacts the economy. Further, Banks currently operate only in the service sector and are covered by Service Tax @ 12.36% currently. Going forward with GST, they will have to pay approx. 27% GST. Further since all major Banks have multistate operations they would need to understand and implement multistate compliances under GST. Thus before the impending GST, addressing issues faced by the financial service industry is important to address. The industry is currently facing issues inter alia on determining nature of taxability of their incomes, input credit recovery, deciding the place of provision of their service, issues like intermediary service income, interchange income, correspondent bank charges income, format of the service tax returns, time limits for compliances and revision of returns, and so on.

Unless these issues are addressed the industry would face major hurdles with GST. GST is a multistate tax with compliances expected in different states. Thus it is imperative to address the issue of “place of supply” with clarity before GST. Further double taxation issues like taxing intermediary services, interchange income, correspondent bank charges etc. needs to be addressed so that India is globally competitive. Issues around compliances need to be clarified since going forward there is an apprehension of multistate compliances and so on.

THE SALIENT FEATURES

The GST is likely to strengthen cooperative federalism and have far-reaching implications for growth, inflation, public finances and external competitiveness in the Indian economy, drawing on the evidence of significant efficiency gains revealed in empirical evaluation of the implementation of VAT in 2005. The GST is likely to bolster states’ revenue and anchor fiscal consolidation without compromising on expenditure quality. Seamless implementation of GST is contingent upon a robust dispute resolution mechanism and a sound information technology (IT) infrastructure. From a medium term perspective, the GST assumes significance in the context of the debt sustainability of states and the evolving contours of state finances. India’s comprehensive dual Goods and Services Tax (GST) has replaced the complex multiple indirect tax structure as of 1 July 2017. The concept of GST was introduced in 1999. On 8 August 2016, the Constitutional Amendment Bill for implementation of the GST was passed by the Parliament, followed by ratification of the bill by more than 15 states and enactment of the bill in early September. The GST Council consisting of representatives from the Central Government as well as state Governments.

On 12 April 2017, the Central Government enacted four GST Bills:

- Central GST ()
- Integrated CGST GST (IGST)
- Union Territory GST (UTGST)
- Bill to Compensate States

The Government has also notified GST rules, tax rates on goods and services, the exemption list and categories of services on which a reverse charge is applicable.

- GST would be applicable on “supply” of goods or services as against the present concept of tax on the manufacture of goods or on sale of goods or on provision of services.

- GST would be based on the principle of destination based consumption taxation as against the present principle of origin-based taxation.
- It would be a dual GST with the Centre and the States simultaneously levying it on a common base. The GST to be levied by the Centre would be called Central GST (central tax- CGST) and that to be levied by the States [including Union territories with legislature] would be called State GST (state tax- SGST). Union territories without legislature would levy Union territory GST (union territory tax- UTGST).
- An Integrated GST (integrated tax- IGST) would be levied on inter-State supply (including stock transfers) of goods or services. This would be collected by the Centre so that the credit chain is not disrupted.
- Import of goods would be treated as inter-State supplies and would be subject to IGST in addition to the applicable customs duties.
- Import of services would be treated as inter-State supplies and would be subject to IGST.
- CGST, SGST /UTGST& IGST would be levied at rates to be mutually agreed upon by the Centre and the States under the aegis of the GSTC.
- GST would replace the following taxes currently levied and collected by the Centre:
 - a. Central Excise Duty;
 - b. Duties of Excise (Medicinal and Toilet Preparations);
 - c. Additional Duties of Excise (Goods of Special Importance);
 - d. Additional Duties of Excise (Textiles and Textile Products);
 - e. Additional Duties of Customs (commonly known as CVD);
 - f. Special Additional Duty of Customs (SAD);
 - g. Service Tax;
 - h. Cesses and surcharges insofar as they relate to supply of goods or services.

GST AND CENTRE-STATE FINANCIAL RELATIONS

Currently, fiscal powers between the Centre and the States are clearly demarcated in the Constitution with almost no overlap between the respective domains. The Centre has the powers to levy tax on the manufacture of goods (except alcoholic liquor for human consumption, opium, narcotics etc.) while the States have the powers to

levy tax on sale of goods. In case of inter-State sales, the Centre has the power to levy a tax (the Central Sales Tax) but, the tax is collected and retained entirely by the originating States. As for services, it is the Centre alone that is empowered to levy service tax. Since the States are not empowered to levy any tax on the sale or purchase of goods in the course of their importation into or exportation from India, the Centre levies and collects this tax as additional duties of customs, which is in addition to the Basic Customs Duty. This additional duty of customs (commonly known as CVD and SAD) counter balances excise duties, sales tax, State VAT and other taxes levied on the like domestic product. Introduction of GST would require amendments in the Constitution so as to concurrently empower the Centre and the States to levy and collect the GST. The assignment of concurrent jurisdiction to the Centre and the States for the levy of GST would require a unique institutional mechanism that would ensure that decisions about the structure, design and operation of GST are taken jointly by the two. For it to be effective, such a mechanism also needs to have Constitutional force.

CONCLUSION

The introduction of Goods and Services Tax on the 1st of July 2017 was a very significant step in the field of indirect tax reforms in India. By amalgamating a large number of Central and State taxes into a single tax, the aim was to mitigate cascading or double taxation in a major way and pave the way for a common national market. From the consumer point of view, the biggest advantage would be in terms of a reduction in the overall tax burden on goods, which was estimated to be around 25%-30%. Introduction of GST would also make Indian products competitive in the domestic and international markets. Studies show that this would have a boosting impact on economic growth. Last but not the least, this tax, because of its transparent and self policing character, would be easier to administer. With heterogeneous state Laws on sales tax, the debate on the necessity for Goods and Service Tax (GST) has risen. GST will bring about a change on the tax system by redistributing the burden of taxation equitably between manufacturing and services. It will lower the tax rate by broadening the tax base and minimising exemptions. It will reduce distortions by completely switching to the destination principle. The service tax in India is progressing faster in terms of revenue growth, assessee base growth and even growth in service tax collection per assessee and per service. However, the service tax failed to meet the growth of revenue generation from the service sector. Hence, it is suggested that the Government should consider implementing the proposed broad based Goods and Service Tax (GST) uniformly in the coming years.

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CULTIVATING AND UPGRADING WOMEN EMPOWERMENT

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ABSTRACT

A woman strengthening implies liberation of women from the horrendous holds of social, prudent, political, position and sex based segregation. It implies allowing ladies the flexibility to settle on life decisions. A woman strengthening does not signify 'exalting women' rather it implies supplanting male controlled society with equality. In the traditional era, the women were restricted to household work like cleaning, washing, cooking, taking care of children, etc. They were considered as home makers and were deprived of the right or opportunity to go outside home. But now the story is different. Apart from home maker role, they also have a significant role to engage even outside the home. With the increase in cost of living on one hand and the improved education and employment opportunities on the other hand, both husband and wife started working and many families became dual earner. over a period of time women accomplished remarkable progress in every walk of life and made a noteworthy mark in the respective fields. Education has not only empowered them but also has given them robust careers. With brain power being the requisite skill in this knowledge era, rather than endurance or physical strength, the women workers seem to flood into every industry on par with men. But there is no significant change in performing the role of home maker. In majority homes, the women still does household work, cooks, takes care of the family members and manages the house. With increase in demands at work place and at home, the work life balance of women employees is at stake. As working women get married, they have additional responsibilities and when they become mothers, they have to manage the primary care of children and extended family and are thus, under greater pressure to continue on a career path. Working mothers of today fulfill family responsibilities and also try to remain fully involved in their careers coping up with the competing demands of their multiple roles. In such manner, there are different features of ladies strengthening, for example, given hereunder.

Human Rights or Individual Rights: A women is a being with faculties, creative energy and contemplations; she ought to have the capacity to express them unreservedly. Singular strengthening intends to have the fearlessness to explain and affirm the ability to arrange and choose.

Social Women Empowerment: A basic part of social strengthening of ladies is the advancement of sexual orientation uniformity. Sexual orientation balance infers a general public in which ladies and men appreciate similar open doors, results, rights and commitments in all circles of life.

Instructive Women Empowerment: It implies enabling women's with the information, aptitudes, and self-assurance important to take an interest completely in the improvement procedure. It implies making ladies mindful of their rights and building up a certainty to guarantee them.

Financial and word related strengthening: It infers a superior nature of material life through economical employments claimed and oversaw by ladies. It implies decreasing their money related reliance on their male partners by making them a noteworthy piece of the human asset.

Legitimate Women Empowerment: It recommends the arrangement of a successful lawful structure which is steady of ladies strengthening. It implies tending to the holes between what the law recommends and what really happens.

Political Women Empowerment: It implies the presence of a political framework supporting the investment in and control by the women of the political basic leadership process and in administration.

The position of Women in India: The position appreciated by women's in the Rig-Vedic period weakened in the later Vedic human progress. women were denied the privilege to training and dowager remarriage. They were denied the privilege to legacy and responsibility for. Numerous social indecencies like tyke marriage and settlement framework surfaced and began to immerse ladies. Amid Gupta period, the status of women colossally disintegrated. Endowment turned into an organization and Sati Pratha ended up noticeably unmistakable.

Amid the British Raj, numerous social reformers, for example, Raja Rammohun Roy, Ishwar Chandra Vidya sagar, and Jyotirao Phule began fomentations for the strengthening of women. Their endeavors prompted the abrogation of Sati and plan of the Widow Remarriage Act. Afterward, stalwarts like Mahatma Gandhi and Pt. Nehru supported ladies rights. Because of their concentrated endeavors, the status of women in social, financial and political life started to lift in the Indian culture.

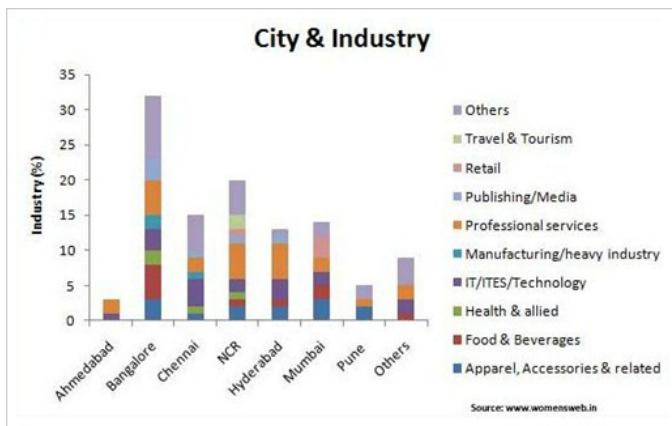
Current Scenario on Women Empowerment:

In view of the thoughts championed by our establishing fathers for women's strengthening, numerous social, monetary and political arrangements were fused

in the Indian Constitution. women's in India now take an interest in regions, for example, training, sports, governmental issues, media, workmanship and culture, benefit part and science and innovation. Be that as it may, because of the profound established man centric attitude in the Indian culture, women's are as yet defrauded, embarrassed, tormented and abused. Indeed, even after right around seven many years of Independence, ladies are still subjected to separation in the social, financial and instructive field.

Panchayati Raj Institutions according to the 73rd and 74th Constitutional Amendment Act, all the neighborhood chose bodies save 33% of their seats for women's. Such an arrangement was made to expand the compelling investment of women's in governmental issues.

Women's' Reservation Bill: It is a pending Bill in India which proposes to save 33% of all seats in the Lok Sabha and in all State Legislative Assemblies for women's. In the event that passed, this Bill will give a huge lift to the position of women's in legislative issues. A recent survey titled Women & Entrepreneurship in India 2016 Study by Women's Web interviewed more than 100 women entrepreneurs in India and put together an interesting set of statistics. Most of the respondents were owners of small to medium sized businesses, a majority of which reported sub 10 lakh revenue. The survey pointed out that Bangalore to be the top entrepreneur's as most of the respondents were based in the city. Kiran M Shaw, Chairman and MD of Biocon, was recently ranked 2nd most powerful woman CEO in India. She is also from Bangalore. Delhi, Chennai, Mumbai, Hyderabad, Pune and Ahmedabad followed. Interestingly, Kolkata was absent from the top metros in which women entrepreneurs in India were based. It was the only metro to be clubbed with the rest of cities in India



Source: www.womens web. in

Nearly 6 out of 10 respondents said that their businesses were in the areas of Professional Services, IT, Apparels or F&B. The rest tail ended into other sectors including Travel, Media, Health and Manufacturing. Statistics also showed that most women entrepreneurs from this survey had small to medium sized businesses and more than 70% had less than 5 employees working for them. So why did these women take up entrepreneurship as opposed to the traditionally accepted pathway to success – Get a degree, get a job and work your way to the top? The survey points out two major reasons which had lured the respondents to join the entrepreneurship bandwagon. 75% of them believed that they had a creative idea that needed to be taken to the market place and 60% felt the need to be their own boss.

Last but definitely the most inspirational finding for budding young to-be entrepreneurs is the fact that 60% of these respondents started with a capital of less than 1 lakh. Personal savings, loans from friends and family and loans from external parties emerged as the top 3 sources of funding. Not surprisingly, finance was the most important challenge and roadblock these women entrepreneurs faced

Different Government Policies and Schemes:

The Government of India is running different welfare plans and arrangements, both at State and Central levels for the strengthening of women. A portion of the significant projects and measures incorporate Swadhar (1995), Swayam Siddha (2001), Support to Training and Employment Program for Women (STEP-2003), Sabla Scheme (2010), National Mission for Empowerment of Women (2010) and so on. Every single such approach and projects concentrate on social, monetary and instructive strengthening of ladies crosswise over different age gatherings. Accordingly, there has been no shortage of social, financial, political, lawful and Constitutional endeavors made for the strengthening of ladies both before and post-Independence. Be that as it may, women's in India keep on facing abominations, for example, assault, settlement killings, corrosive assaults, human trafficking, and so on. As indicated by a worldwide survey led by Reuters, India is the "fourth most risky nation on the planet for women's".

Modern Women Empowerment — Challenges

The most across the board and dehumanizing victimizations women's are on the premise of the one-sided viewpoint. The oppression the young lady youngster starts from the birth itself. Young men are favored over young ladies; thus, female child murder is a typical practice in India. The experience that an Indian young women faces during childbirth is just the start of a deep rooted battle to be seen and heard. Patriarchate Bottlenecks The conventional Indian culture is a male centric culture managed by the diktats of self-broadcasted standing rulers who are the watchmen

of bygone and treacherous customs. They put the weight of customs, culture, and respect on the shoulders of ladies and check their development. The frequencies of "respect slaughtering" uncover the mutilated social fiber in the male-overwhelmed society.

Monetary Backwardness:

Women constitute just 29% of the workforce however frames dominant part of the penniless in the nation. There has been a disappointment in changing the accessible ladies base into human asset. This, thusly, has hampered the monetary advancement of ladies as well as of the nation' in general. Usage Gaps Through every one of these years, the consideration is just on creating and formulating new plans, approaches and programs and have given careful consideration to the best possible observing framework and execution foolishness, for e.g. in spite of the nearness of The Pre-Natal Diagnostic Technologies Act and different wellbeing programs like Janani Suraksha Yojana and National Rural Health Mission (NHRM), our nation has a skewed sex proportion and a high maternal mortality rate (MMR). Provisos in the lawful structure Although there are various laws to ensure ladies against a wide range of viciousness yet there has been the critical increment in the scenes of assaults, blackmails, corrosive, assaults and so forth. This is because of deferral in legitimate strategies and the nearness of a few escape clauses in the working of a legal framework.

Absence of Political Will: The as yet pending Women's Reservation Bill underscores the absence of political will to engage ladies politically. The male strength wins in the governmental issues of India and ladies are compelled to stay quiet onlookers.

Path ahead begins with connecting the profound established inclinations through supported reconditioning. It is just conceivable by advancing the possibility of sex equity and evacuating social belief system of male youngster idealness. This idea of balance ought to be first created in every single family unit and from that point, it ought to be taken to the general public. This can be accomplished by running supported mindfulness programs with the assistance of Nukkad Natak or shows, radio, TV, Internet, and so on the nation over.

Supplanting 'Man centric society' with Parity:

A solid patriarchate society with profound established socio-social esteems keeps on influencing Women' strengthening. The need of great importance is a libertarian culture, where there is no place for prevalence. The Government should recognize and dispose of such powers that work to keep alive the convention of male strength over its female partner by issuing coldhearted and unlawful diktats. Instruction is the most imperative and irreplaceable apparatus for ladies strengthening. It makes

ladies mindful of their rights and obligations. Instructive accomplishments of a lady can have progressively outstretching influences for the family and crosswise over ages

Political Will: Women ought to approach assets, rights, and qualifications. They ought to be given basic leadership powers and due position in administration. Hence, the Women Reservation Bill ought to be passed as quickly as time permits to expand the compelling support of ladies in the governmental issues of India.

Spanning execution holes: Government or group based bodies must be set up to screen the projects formulated for the welfare of the general public. Due significance ought to be given for their appropriate execution and their checking and assessment through social reviews. Equity postponed is equity denied. Endeavors ought to be made to rebuild the legitimate procedure to convey reasonable and in-time equity to the casualties of horrifying wrongdoings like assaults, corrosive assaults, inappropriate behavior, trafficking and abusive behavior at home. Fast-track courts, conceived to grant expedient equity to the casualties of assaults and different violations against ladies, is a decent activity taken by the legal and the Government of India.

CONCLUSION

Empowering ladies socially, monetarily, instructively politically and legitimately will be a Herculean undertaking. It won't be anything but difficult to change the way of life of nonchalance for women which are so profound established in Indian culture. However, it doesn't imply that it is improbable. Just unrests acquire changes a day, however changes take as much time as is needed. This one, specifically, will take as much time as necessary too. The possibility of ladies strengthening may sound hard by the yard, yet by the inch, it is only a secure. All we require is an amassed exertion centered the correct way that would rest just with the freedom of women's from all types of malevolence.

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YOUTH DEVELOPMENT PROGRAMS FOR SUSTAINABLE GROWTH IN KYRGYZSTAN

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INTRODUCTION

The purpose of this paper is to identify what youth development programs are needed for the socio-economic development of Kyrgyzstan, and how such programs can be built effectively for the sustainable development of Kyrgyzstan. Since their independence from the Former Soviet Union, virtually all Central Asian countries have faced complex socio-economic challenges in their transition from a command to a market economy. As a consequence, social instability has increased to the level of serious threat to political stability and national security. Particularly, Kyrgyzstan has had people's revolutions twice since its independence. In those two Kyrgyz revolutions, even though all patriotic Kyrgyz people were parts of relatively peaceful demonstrations against dictators and their corrupt governments, young people who were teens and early twenties made the difference at the critical moments during those two revolutions.

Now, Kyrgyz people seem overconfident in believing that they could change anything they don't like. Especially after the second revolution, many people, especially young people, in Kyrgyzstan have a wrong and dangerous perception that they could have another revolution any time when they feel their demands are not satisfied. However, unfortunately, such demands could not be satisfied completely in a shorter time of their tolerance. If young people's beliefs about their future will not be realized soon, there will be social chaos virtually everyday continuously, which hurts its socio-economic development in Kyrgyzstan. As the Kyrgyz young people seize more socio-political power than ever in Kyrgyzstan, angry and frustrated young people in Kyrgyzstan will make lots of noise politically as well as socially. However, history tells us that radical movements, such as revolutions, are not the ultimate solutions in most times for building a healthy society or a prosperous nation. Revolution could sweep the

past, but they could not promise a bright future automatically. Building a promising future needs well-developed plans, including youth development programs, by the knowledgeable and competent leadership with visions, and those plans should be carried out one by one in right ways. However, little attention has been paid to such programs in Kyrgyzstan. Therefore, Kyrgyzstan should establish well-focused youth development programs and implement them according to its national priority in strategic development of its country. The objective of this paper is to identify what youth programs/activities are needed for socio-economic development in Kyrgyzstan and how to develop such programs/activities effectively in the current situation, and to make some suggestions for successful operations of those programs to encourage all the Kyrgyz youth to play constructive roles in building their country as a socio-economically well-respected country in the world.

OVERVIEW OF KYRGYZSTAN AND YOUTH DEVELOPMENT PROGRAMS

In Kyrgyzstan, almost 68% of the population still lives under the poverty limit (in 2012 up from 62% in 2006), and about 60% of the children suffer from chronic to acute malnutrition (USAID, 2010). The unemployment rate of the young generation under 30 years old in Kyrgyzstan is so high with an estimated figure of 35%, and young women with their children are the ones who have suffered the most from deprivations subsequent to those two revolutions in the last decade. Impoverished youth are particularly vulnerable, which makes them an easy target for a variety of subversive and religious propaganda. Even if some young businessmen are among the most successful Kyrgyz entrepreneurs, access to resources is socially restricted and even discouraged by the nation-wide corrupt systems. More importantly, most young people think that there is no hope in their country. Most of well-educated young people, who tend to be moderate politically, have left Kyrgyzstan for a better life abroad. Most young people from poor families, who are usually radical politically, become angry easily, and are a main source of social instability. So, developing youth programs/activities for the Kyrgyz youth is urgently needed for strategic development of economy in Kyrgyzstan. In 2010, a research project conducted by Lee (C.Y. Lee 2010) uncovered the lack of youth programs and activities even though there have been strong demands of such programs for all aged youth nationwide in Kyrgyzstan.

Youth development programs prepare young people to meet the challenges of adolescence and adulthood through a structured, progressive series of activities and experiences which help them obtain social, emotional, ethical, physical, and cognitive competencies for their future. They address the broader developmental assets all children and youth need for their well-being and better life in the future, such as caring

relationships, safe places and activities, mental and physical health, marketable skills, and opportunities for service and civic participation. Rather than only seeking to stop young people from engaging in risky behaviors, positive youth development, in addition, aims to mobilize societies and communities to create positive goals and outcomes for all youth. Youth development organizations are nonprofit youth-serving organizations with a major emphasis on providing youth development programs. Youth-serving organizations are organizations with a primary focus on providing youth development, health and fitness, educational, substance abuse prevention, child welfare, child protective, psychological, parenting, vocational and training, teen pregnancy, rehabilitative, or residential services to youth. Youth development programs usually work on three levels: helping individual youth build these four characteristics; ensuring that there is at least one caring, consistent adult in each young person's life; and developing a sense of security in the lives of all young people. So, youth development services should provide guidance and support; safe places to live, learn and play; and a variety of opportunities that will contribute to the healthy development of young people. Youth development programs should be designed to meet the human development needs of youth and to build a set of core assets and competencies needed to participate successfully in adolescent and adult life. Finally youth development programs must assist young people in developing competencies that will enable them to grow, develop their skills and become healthy, responsible and caring youth and adults.

KOREA AS A MODEL COUNTRY FOR SUSTAINABLE DEVELOPMENT THROUGH YOUTH DEVELOPMENT

Human resource is one of the most important infrastructures for socio-economic development in any country. However, it is more critical for developing countries to build youth development programs for a self-sustainable economy as an important part of national HRD (Human Resource Development) programs. An excellent example for this case is Korea. Korea was one of the poorest countries in the world until the 1960s. It had no resources at all – virtually no natural resources with a minimum level of human resources. According to the data, the GDP per capita in Korea was less than \$100 in 1962 while it was about \$220 in Thailand and about \$200 in the Philippines. Many countries in Africa had a better economy than Korea with a higher GNP per capita in 1962. Furthermore, in 1970, a UN report about the Korean economy said that even though Korea and Ghana were almost identical in terms of economy, Korea seemed to have no future while Ghana would have a bright future in terms of economy. Actually these two countries had almost the same amount of GDP per capita, the same level of HDI, the same structure of economy, and the same amount of international trade, etc. until that time.

Today everybody knows that the UN report mentioned above is wrong. The actual outcomes of these two countries' economies today is completely opposite of what was predicted by the UN report. The Korean GDP per capita was about \$28,000 in 2012, while Ghana is still one of the poorest countries with a GDP per capita less than \$2,000. More importantly, the Korean economy today is regarded as one of the most dynamic and competitive in the world. Many experts wonder how Korea could become one of the first countries to recover from the current global financial crisis. The answer is simple and obvious: Korea's human resources are extremely competent based on its well-developed educational system, including many excellent youth development programs. With highly developed human resource, Korea has been able to develop highly competitive technology-based industries even though it has little natural resources. The most important decision Korea made at the beginning of its economic development process was to develop its nationwide HRD programs immediately as its top priority when Korea was so poor. Most of those programs were for youth development. Korea has established a well-sequenced educational system for developing the human resources needed for its sustainable development. The Korean government established: (1) vocational training programs; (2) technical high schools; (3) science high schools for talented students; (4) national higher educational institutions specialized in engineering, sciences, and technology with advanced graduate programs in addition to its well-designed national athletic programs for youth.

At the beginning of its sustainable development, Korea decided to develop a well-designed educational system that focused on developing each individual person's competence from his/her early age according to personal interest and talent. Even though Korea was a very poor country during that time, it invested its financial resources in the creation of specialized high schools, colleges, and universities for training technicians and craftsmen and educating engineers and scientists for the future, unlike other developing countries. Also, Korea has established one of the most effective national scholarship programs for young scholars, engineers and scientists to go abroad for their higher degree education and training at world-class institutions and research centers. This was one of the most significant decisions the Korean leaders made in the early stages of the economic development process.

The following youth development programs suggested to Kyrgyzstan are selected based on Kyrgyz's priority as well as lots of valuable lessons learned from youth development programs in Korea and other model countries.

YOUTH DEVELOPMENT PROGRAMS RECOMMENDED FOR SUSTAINABLE GROWTH IN KYRGYZSTAN

The “Manas” National Scholarship Program

This is the national scholarship program for outstanding talented youth in Kyrgyzstan to study abroad for their higher degrees. It recognizes national importance of educating its most talented youth at the best universities of the world, and thus enables them to acquire necessary knowledge, skills and experience to lead the country into its prosperous future. For the strategic development of Kyrgyzstan with sustainable growth, there is an acute need for cadres with advanced western education, and so, it is now necessary to send the most qualified youth to study at leading educational institutions in foreign countries. The program is designed to train future leaders in natural sciences, technology, engineering, mathematical sciences, and other key fields for the strategic development of the Kyrgyz economy. Upon completion of their programs, scholarship recipients return to Kyrgyzstan to help advance the nation by their service of making contributions in their fields. Also, it is the national scholarship program to improve the national competitiveness mainly in the STEM (Sciences, Technology, Engineering, and Mathematical Sciences) areas for the sustainable development of Kyrgyzstan by supporting Kyrgyz youth to study abroad at world class educational institutions for their graduate degree programs in those areas.

The rigorous criteria for selection of the scholarship recipients and the highly competitive nature of the selection process assure that only the best students/youth and young scholars, who represent Kyrgyzstan’s most promising young leaders, are named “Manas” Scholars. There should be no discrimination at all during the entire process based on ethnic/tribal background, religion, gender, and geography. Students/youth as well as young scholars living in Kyrgyzstan who are exceptionally talented in their fields are all encouraged to apply for the scholarship regardless of their ethnic/tribal background, religion, gender, and geographical background.

National Human Resource Development Programs for Youth

Human resource is one of the most important infrastructures for socio-economic development in a country. It is more critical for developing countries to build national HRD programs for youth for a self-sustainable economy. Especially, for sustainable development, it is critical to help young generation develop its potential as human resource for the future. Developing such nationwide HRD programs for youth is one of the most urgent national agenda with the top priority for economic development. It includes the creation of vocational training programs, technical high schools, specialized science high schools, colleges and universities for training technicians

and craftsmen and educating engineers and scientists. It will give the Kyrgyz youth lots of opportunities, jobs, eventually hope in the future. Usually, developing countries do not have enough finance and face the common problem of a lack of financial resources. Under such conditions, it is more important and critical to set the right priority for many programs and projects especially in the early stages of economic development. Thus, the knowledgeable leader (or government) should select the areas or programs/projects the country needs to develop most urgently before all others in order to maximize the effects of the chain reaction that will follow, and concentrate his or her efforts to them with the allocation of scarce resources. This is the principle of “selection and concentration”!!

Generally the national economy, as well as its competitiveness for sustainable development, depends on the country’s level of technological development, especially in engineering, the sciences, and high-tech areas. The level of technology determines the overall power and competitiveness of a nation and its economic development. So, for sustainable development, it is critical to develop technology in engineering, sciences, and high-tech areas through a well-sequenced education system. Consequently, a nation’s economic development is a matter of human resources development in those areas.

National Athletic Programs for Youth

There are two categories of national athletic programs for youth: (A) Sports and Athletic Programs for Youth; and (B) Elite Athletes Development Programs. The first one is the programs for all kids/children and students in Kyrgyzstan while the second one is the programs of identifying, selecting, training athletes who represent Kyrgyzstan in international sports event or competitions.

(A) Sports and Athletic Programs for Youth

There is a tremendous need for after-school care for children and youth. Far too many families are unable to find safe, quality programs for their children, and are forced instead to turn to makeshift arrangements or leave their children unsupervised. In Kyrgyzstan, lots of children are left without any programs/activities involvement every day in the hours after school. For some of these latch-key kids, the hours after school may be dangerous, children and youth are the most likely to try something bad for them, such as alcohol, tobacco and illegal drugs, and more likely to experiment with sex. All of these risks greatly increase for low-income children in urban communities as well as villages. For many other children, the afternoon hours are simply wasted; time spent watching television or doing nothing could be used instead to participate in positive activities or to connect with responsible adults. Research indicates that

children who attend high quality after-school programs have better peer relations, emotional adjustment, conflict resolution skills, grades, and behavior in school than peers who are not in after-school programs. Students who spend more hours every day in extracurricular activities are less likely to use drugs and less likely to become teen parents than students who do not participate. Sports programs can also promote healthy development for youth. Examples abound of successful sports programs that build character, responsibility and leadership skills, help children and youth improve school performance, and nurture relationships with adult mentors. Many researchers found that participation in sports programs helps children and youth achieve better performance in their standardized tests and improve their academic skills overall; their enthusiasm for schoolwork is rivaled only by their ardor for sports programs.

Therefore, it is critical for the government to support after-school sports and athletic activities through a broad array of national programs. Some may help working families pay for child care with sports programs, including after-school sports programs for school-age children. Others may attempt to prevent delinquency and crime by providing positive alternatives to risky and criminal behavior. Still others could be designed to improve health and fitness. The government must find the major funding sources for after-school sports and recreation programs and discuss current legislative or executive action related to these programs. So far there are not enough funding sources which are not specifically geared toward sports and recreation, but can be and are being used to support these programs -- to promote access for low-income children and youth to sports and recreation opportunities, build infrastructure, provide links to other important services, and improve the quality of programs.

(B) Elite Athletes Development Program

Virtually all countries from all over the world assemble their best athletes and send them to the Olympics and other international athletic competitions all year round. For many of those countries and their citizens, the simple fact that their athletes participate in those events offers them a sense of success, furthermore it gives their people some opportunities to feel the national unity and pride. However, for some other countries, success is not achieved unless their athletes reach the medal podium or get medals. Especially for developing countries, this is more important since they don't have lots of opportunities of showing their national pride. Such is the case with Kyrgyzstan. Kyrgyzstan needs all kinds of success in any international sports events for its national unity since one of the most serious challenge Kyrgyzstan faces is the problem of division of North and South spiritually, which hurts its national harmony and unity. After the second revolution in April 2010, this problem has showed that its national identification as one nation is in deep trouble and easily vulnerable. One of

the most peacefully effective and efficient approaches to solve this nationally urgent problem is to make all people and citizens in Kyrgyzstan feel the national pride by showing them the outstanding performance in international athletic competitions and sports events. For this, developing elite athletes program is crucial in Kyrgyzstan. Obviously, developing elite athletes program usually takes a while with well-allocation of necessary resources as well as the government support.

The important element of the mission statement of such a national program should be the notion of sustained competitive excellence. It means that the ultimate goal of developing elite athletes program is winning medals at every Olympic, Paralympic, Asian Games and other similar major international sports events through the provision of the best resources to every athlete with the hope of building a pipeline of future athletes to continuously and consistently bring the success to Kyrgyzstan. This intention then flows through the organizational structure to each National Governing Body (NGB) and to the athletes themselves. It is at the NGB level where the foundation of sustained competitive excellence lies and where the creation of an athlete development system truly takes shape. For the purposes of this, an elite athlete development system should be defined as the organized group of interacting elements required to progress an athlete from the introductory level to Olympic level. The Kyrgyz Olympic Committee (KOC) was established as soon as Kyrgyzstan became independent in 1991, and has done outstanding jobs of sending its best athletes to those international events and showing lots of impressive outcomes in spite of shortage of resources since then. However, for all the continuous success in those international sports arena in the future, it is necessary now to discuss in detail those elements that are necessary to the infrastructure of the athlete development system. These include funding, facilities, and personnel.

National Vocational Job Training Programs for Youth

The unemployment rate of the young generation under 30 years old in Kyrgyzstan is so high with an estimated figure of 35% in 2012, and young women with their children are the ones who have suffered the most from deprivations subsequent to those two revolutions in the last eight years. Impoverished youth are particularly vulnerable, which makes them an easy target for a variety of subversive and religious propaganda. More importantly, most young people think that there is no hope in their country because they don't have any jobs. They become angry against the government and society easily, and are a main source of social instability. So, developing vocational and job training programs for the youth is urgently needed for the social stability, which is very important for economic development in Kyrgyzstan. Vocational education or vocational education and training (VET) prepares trainees for jobs that are based on manual or practical activities, traditionally non-academic,

and totally related to a specific occupation, or vocation. It is sometimes referred to as technical education as the trainee directly develops expertise in a particular group of techniques or technology. Vocational education may be classified as teaching procedural knowledge. This can be contrasted with declarative knowledge, as used in education in a usually broader scientific field, which might concentrate on theory and abstract conceptual knowledge, characteristic of tertiary education. Vocational education can be at the secondary or post-secondary level and can interact with the apprenticeship system. Increasingly, vocational education can be recognized in terms of recognition of prior learning and partial academic credit towards tertiary education (e.g., at a university) as credit; however, it is rarely considered in its own form to fall under the traditional definition of higher education.

However, as the labor market becomes more specialized and economies demand higher levels of skill, governments and businesses are increasingly investing in the future of vocational education through publicly funded training organizations and subsidized apprenticeship or traineeship initiatives for businesses. After completing secondary education, one can enter higher vocational schools or universities. It is also possible for a student to choose both technical college and vocational schooling. The education in such cases last usually from 3 to 4 years. Vocational education is an important part of the education systems in most of developed countries. In Korea, vocational high schools typically offer programs in five fields: agriculture, technology/engineering, commerce/business, maritime/fishery, and information technology. In principle, all students in the first year of high school (10th grade) follow a common national curriculum. In the second and third years (11th and 12th grades) students are offered courses relevant to their specialization. In some programs, students may participate in workplace training through co-operation between schools and local employers. The government is now piloting Vocational Meister Schools in which workplace training is an important part of the program. Although there are many private vocational high schools, the public schools are the backbone of the vocational education and job training in Korea. Private and public schools operate according to similar rules; for example, they charge the same fees for high school education, with an exemption for poorer families.

Computer and IT Skills Development Programs for Youth

This program will create enriched learning environments in which the appropriate use of technology affords opportunities for marginalized people, particularly youth. It envisions a world in which they are equipped with adequate tools and resources that prepare them to confidently compete for 21st century opportunities. It recognizes that technology is not going to solve the problems of these communities, but it is a tool that can be used to help bridge social and economic obstacles. To this effect, this

program teaches participants first to recognize and speak out about what challenges exist in their community and then demonstrate how to research, document, and disseminate information about these challenges. During this process, technology is identified as an enabler, it is introduced. This program's main theme is, "Bridging the Digital Divide". This theme is made out of an aspiration to empower people, in communities that we work in, to sit in the driver's seat of their development while accessing the networks, tools and information to make positive change. Poverty reduction is about developing people, their experiences and their potential. It is about capacity building, about acquiring life skills enabling them to become better educated and more productive. For the successful outcomes, it is strongly recommended to have one of the most urgently needed national movements, "A Computer to Every Kids in Kyrgyzstan" with establishing an advanced wireless telecommunication network system. It is obvious that computer and information technologies (CIT) have become a significant factor in development, having a profound impact on the political, economic and social sectors in any country.

The proliferation of CIT presents both opportunities and challenges in terms of the social development and inclusion of youth. Young people often use the Internet to access entertainment and news sites and as a personal meeting space through chat programs. There is also an increased emphasis on using information and communication technologies in the context of global youth priorities, such as access to education, employment and poverty eradication. Yet questions remain as to whether information and communication technologies can empower young people and improve their lives or whether they are deepening the already existing inequalities and divisions in the world. The important concerns of a global "digital divide" apply as much to youth as to any other age group. Although progress towards basic education regarding information and communication technology, beginning with computer literacy, has been made in Kyrgyzstan recently, the number of computer illiterate youth will continue to grow nationwide in Kyrgyzstan, and Kyrgyzstan, like many developing countries, is likely to fall short of necessary education regarding information and communication technology. Three main concerns regarding the current situation of digital divide in Kyrgyzstan are analyzed. The first is the inability of many parents in Kyrgyzstan to provide necessary resources, including computers and their access to telecommunication networks, such as Internet, to their children because of local economic and social conditions in Kyrgyzstan. The second concerns easy access to an effective information and telecommunication network at a reasonable cost. The third concerns the quality of computer and information technology education, its relevance to employment and its usefulness in assisting young people in the transition to full adulthood, active citizenship and productive and gainful employment.

Youth Leadership Development Programs

Youth Leadership activities build skills relevant to young people's personal development, as well as their role within a group. On a personal level, youth who participate in these experiences gain insight into themselves. This helps them analyze their strengths and weaknesses and set personal and vocational goals. On a group level, youth develop the ability to work with others to create a shared vision and to draw on the talents, skills, and energy of others. Today's youth are the leaders of tomorrow. Too many of the current problems in societies stem from youth education that is ill prepared to deal with present complexity. This is not just a matter of inadequate training in the realities of global change but a lack of human resourcefulness – youth living out of a field of awareness that limits their abilities to deal with their world. An interdependent vision of the whole is lacking. A new approach to leadership education and training for youth is urgently needed. The vision of a planetary civilization that offers equity, education, sufficiency, and the ability to live on this planet in a way that encourages the possible human and the possible world is essential to this approach. Youth development is a process that prepares a young person to meet the challenges of adolescence and adulthood and achieve his or her full potential. Youth development is promoted through activities and experiences that help youth develop social, ethical, emotional, physical, and cognitive competencies. Youth leadership is part of the youth development process and supports the young person in developing: (a) the ability to analyze his or her own strengths and weaknesses, set personal and vocational goals, and have the self-esteem, confidence, motivation, and abilities to carry them out (including the ability to establish support networks in order to fully participate in community life and effect positive social change); and (b) the ability to guide or direct others on a course of action, influence the opinions and behaviors of others, and serve as a role model.

The youth of today need to develop leadership skills in order to enjoy greater success in their lives. Therefore, it is important there be programs that can help them cultivate their skills. By investigating successful programs and other relevant activities, the excellent customized programs fit into the situation in Kyrgyzstan should be developed. Well-designed and well-run youth development programs promote youth leadership by involving youth in needs assessment, planning, implementation, and evaluation. A growing number of organizations include youth on their boards of directors. Effective programs engage all participating youth in constructive action through activities such as service learning, arts, and athletics; and emphasize common values such as friendship, citizenship, and learning. In order for youth to be prepared to work in partnership with adults, they need to develop and/or enhance their leadership skills. Leadership training prepares youth to manage time, work as a team, set goals, start conversations, facilitate meetings, and make effective

presentations. Promoting youth leadership development is a great way to promote positive life skills learning.

CONCLUSION

It is important to understand that building a promising future for a society, a community or a nation is a long process of strategic development of many areas. Youth development is now accepted as an important area for building a promising future politically, culturally as well as socio-economically. Youth development and economic development should work together to maximize the synergy effect for each other. Youth development programs should serve economic development and economic development should help develop more youth programs. Both youth development and economic development must be a nation-wide endeavor that should be initiated, planned, supported, and monitored by the governments, local communities and NGOs. Actually, they are very similar in nature because they both require a nationwide mobilization of all available means and resources with government supports as well as local communities' participation in the development process. At the same time, young people should play all important roles as future leaders, workforces, and followers in such a process. They should understand their roles and responsibilities as well as expectations from their communities and societies. They should be prepared to do right jobs in the process of strategic development of their country before they are called to do their assignments later. Youth development programs help youth deal successfully with the challenges of adolescence and prepare them for the independence and responsibilities of being leaders, workers, and citizens, by attempting to help youth develop competencies. Most of youth development programs apply accepted theory and empirical evidence through interventions designed to help youth build personal resilience. A resilient individual has these attributes: (1) social competence; (2) problems-solving skills; (3) autonomy (sense of self-identity and an ability to act independently and to exert control over his or her environment); and (4) sense of purpose and of a future.

There will be lots of challenges and obstacles in youth development. Although there are many great youth development programs planned in the strategic development process, they can't be implemented all together at a time and can't be finished completely just for overnight. It usually takes a while to see meaningful progress when they are implemented. Leaders of those programs should work diligently towards their goals with patience according to their well-designed plans. In conclusion, building a promising future in Kyrgyzstan needs well-designed youth development programs as well as the knowledgeable and competent leaders with visions who could carry out all those programs as planned even when they face barriers and obstacles. Unfortunately so far little attention has been paid to

such programs in Kyrgyzstan. Few Kyrgyz leaders know the importance of youth development programs in the strategic development process of Kyrgyzstan. It is now critical to establish those youth development programs suggested to Kyrgyzstan, support them by providing necessary resources, and implement them according to its national priority in the strategic development of Kyrgyzstan. In many ways, the success of strategic development of Kyrgyzstan will heavily depend on the success of those youth development programs.

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A STUDY ON EMPLOYEE RETENTION

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ABSTRACT

Philosophically, employee retention is important; in almost and all cases. Employee Retention Strategies helps organizations provide effective employee communication to improve commitment and enhance workforce support for key corporate initiatives. Most employees feel that they are worth more than they are actually paid. There is a natural disparity between what people think they should be paid and what organizations spend in compensation. When the difference becomes too great and another opportunity occurs, turnover can result. Pay is defined as the wages, salary, or compensation given to an employee in exchange for services the employee performs for the organization. Pay is more than “dollars and cents;” it also acknowledges the worth and value of the human contribution. What people are paid has been shown to have a clear, reliable impact on turnover in numerous studies. Employees comprise the most vital assets of the company. In a work place where employees are not able to use their full potential and not heard and valued, they are likely to leave because of stress and frustration. In a transparent environment while employees get a sense of achievement and belongingness from a healthy work environment, the company is benefited with a stronger, reliable work-force harboring bright new ideas for its growth Blog Online and Earn Money.

Keywords: Employee Retention, Importance of Employee retention, Employee Retention Strategies

INTRODUCTION

Employee retention it refers to the techniques employed by the management to help the employees stay with the organization for a longer period of time. Employee retention strategies go long way in motivating the employees so that they stick the organization for the maximum time and contribute effectively. Since efforts must be definitely taken to ensure good growth and learning for the employees in their current assignments and for them to enjoy their work. Employee retention is a process in which the employees or are encouraged to remain with the organization for the maximum period of time or until the completion of the project. Employee retention is beneficial for the organization as well as the employee. Retention of employees as human resources is a part of human resource staffing and planning efforts. Turnover

as the opposite of retention after has been seen as a protein Human Resource matter requiring records and reports.

Why do Employees Leave?

Most of the employees leave an organization out of frustration and constant friction with their superiors or other team members. In some cases low salary, lack of growth prospects and motivation compel an employee to look for a change. The management must try its level best to retain those employees who are really important for the system and are known to be effective contributors. There is other side of the coin when it comes to women employees. According to the survey conducted, the major reason for woman employees leaving organization is not about remuneration or compensation, dissatisfaction, constant friction with their superiors or with their peer or lack of growth prospects, lack of career development and no motivation by their employer. The major reason behind is at the time of pregnancy. For any person when it comes to family or job, there is no second thought, it is family. Therefore every organization need to give special focus on the high priority issues of their employees and should be like a helping hand. Maternity benefits one of the key motivating and retention strategies for woman employees. Countries like India, enacted a special Act called Maternity Benefit Act, 1961 for the ensuring of maternity benefit to women employees by their employer who are covered under the said Act. The said Act mandates compulsory maternity leave with salary and flexi- work in post maternity leave.

Need & Importance of Employee Retention

Now that so much is being done by organizations to retain its employees, why is retention so important? Is it just to reduce the turnover costs? Well, the answer is a definite no. It's not only the cost incurred by a company that emphasizes the need of retaining employees but also the need to retain talented employees from getting poached.

The process of employee retention will benefit an organization in the following ways:

The Cost of Turnover: The cost of employee turnover adds hundreds of thousands of money to a company's expenses. While it is difficult to fully calculate the cost of turnover (including hiring costs, training costs and productivity loss), industry experts often quote 25% of the average employee salary as a conservative estimate.

Loss of Company Knowledge: When an employee leaves, he takes with him valuable knowledge about the company, customers, current projects and past

history (sometimes to competitors). Often much time and money has been spent on the employee in expectation of a future return. When the employee leaves, the investment is not realized.

Interruption of Customer Service: Customers and clients do business with a company in part because of the people. Relationships are developed that encourage continued sponsorship of the business. When an employee leaves, the relationships that employee built for the company are severed, which could lead to potential customer loss.

Turnover leads to more turnovers: When an employee terminates, the effect is felt throughout the organization. Co-workers are often required to pick up the slack. The unspoken negativity often intensifies for the remaining staff.

Goodwill of the company: The goodwill of a company is maintained when the attrition rates are low. Higher retention rates motivate potential employees to join the organization.

Regaining efficiency: If an employee resigns, then good amount of time is lost in hiring a new employee and then training him/her and this goes to the loss of the company directly which many a times goes unnoticed. And even after this you cannot assure us of the same efficiency from the new employee

RESEARCH METHODOLOGY

Objectives

1. To Study the Employee Retention Strategies
2. To study the Factors Affecting Employee Retention
3. To study the Challenges in Employee Retention

Type of Research- Exploratory Research

Data sources: The research is based on secondary data and the data is collected from various websites, Journals, Magazines, Articles and Research Paper.

Employee Retention Strategies

The following categories of human capital management factors provides a core set of measures that senior management can use to increase the effectiveness of their investment in people and improve overall corporate performance of business:

Employee engagement: The organization's capacity to engage, retain, and optimize

the value of its employees hinges on how well jobs are designed, how employees' time is used, and the commitment and support that is shown to employees by the management would motivate employees to stay in organizations.

Knowledge accessibility: The extent of the organization's "collaborativeness" and its capacity for making knowledge and ideas widely available to employees would make employees to stay in the organization. Sharing of information should be made at all levels of management.

Workforce optimization: The organization's success in optimizing the performance of the employees by establishing essential processes for getting work done, providing good working conditions, establishing accountability and making good hiring choices would retain employees. The importance of gaining better understanding of the factors related to recruitment, motivation and retention of employees is further underscored by rising personnel costs and high rates of employee attrition (Badawy, 1988; Basta and Johnson, 1989; Garden, 1989; Parden, 1981; Sherman, 1986). With increased competitiveness on globalizations, managers in many organizations are experiencing greater pressure from top management to improve recruitment, selection, training, and retention of good employees and in the long run would encourage employees to stay in organizations.

Job involvement: Describes an individual's ego involvement with work and indicates the extent to which an individual identifies psychologically with his/her job (Kanungo, 1982). Involvement in terms of internalizing values about the goodness or the importance of work made employees not to quit their jobs and these involvements are related to task characteristics. Workers who have a greater variety of tasks tend stay in the job. Task characteristics have been found to be potential determinants of attrition among employees (Couger, 1988; Couger and Kawasaki, 1980; Garden, 1989; Goldstein and Rockart, 1984). These include the five core job characteristics identified by Hackman and Oldham (1975, 1980): skill variety, which refers to the opportunity to utilize a variety of valued skills and talents on the job; task identity, or the extent to which a job requires completion of a whole and identifiable piece of work - that is, doing a job from beginning to end, with visible results; task significance, which reflects the extent to which the job has a substantial impact on the lives or work of other people, whether within or outside the organization; job autonomy, or the extent to which the job provides freedom, independence, and discretion in scheduling work and determining procedures that the job provides; and job feedback, which refers to the extent to which the job provides information about the effectiveness of one's performance (Tor et al., 1997).

Organizational commitment: Is an effective response to the whole organization and the degree of attachment or loyalty employees feel towards the organization. Job involvement represents the extent to which employees are absorbed in or preoccupied with their jobs and the extent to which an individual identifies with his/her job (Brooke et al., 1988). The degree of commitment and loyalty can be achieved if management they enrich the jobs, empower and compensate employees properly.

Empowerment of employees: Could help to enhance the continuity of employees in organizations. Empowered employees where managers supervise more people than in a traditional hierarchy and delegate more decisions to their subordinates (Malone, 1997). Managers act like coaches and help employees solve problems. Employees, he concludes, have increased responsibility. Superiors empowering subordinates by delegating responsibilities to them leads to subordinates who are more satisfied with their leaders and consider them to be fair and in turn to perform up to the superior's expectations (Keller and Dansereau, 1995). All these makes employees to be committed to the organization and chances of quitting are minimal.

Employee Retention Strategies helps organizations provide effective employee communication to improve commitment and enhance workforce support for key corporate initiatives

Factors Affecting Employee Retention

Consciously hiring freshers is a popular practice across organizations these days. Most companies believe that hiring freshers from top colleges is a kind of guarantee that they will stick to the job for a relatively longer duration. While offering a good paycheck is important, companies need to go that extra mile to make sure their attrition rate is low. Progressive HR functions are now ensuring that freshers establish a long-term association with the company beyond the paycheck. Here are a few strategies they are employing:

A well-defined career path:

Employees, whether fresher's or ones with experience, want to understand how the leadership of an organization can facilitate their growth. They want to see tangible examples of how their counterparts have grown in the firm. For many, growth is not just a vertical ladder. A lateral lattice is equally important. The young workforce is keen on having early experiences of doing different things rather than being sandboxed into one job role. Hence, it is important for companies to chart out well-defined career paths that factor in a `variety of work' that encourages their employees to stick to the organization.

Compensation

Compensation constitutes the largest part of the employee retention process. The employees always have high expectations regarding their compensation packages. Compensation packages vary from industry to industry. So an attractive compensation package plays a critical role in retaining the employees.

Compensation includes salary and wages, bonuses, benefits, prerequisites, stock options, bonuses, vacations, etc. While setting up the packages, the following components should be kept in mind:

- Salary and monthly wage: it includes Basic wage, House rent allowance, Dearness allowance. City compensatory allowance
- Bonus Economic benefits: It includes paid holidays, leave travel concession, etc.
- Long-term incentives: Long term incentives include stock options or stock grants. These incentives help retain employees in the organization's startup stage.
- Health insurance
- After retirement: EPF (Employee Provident Fund) etc.
- Miscellaneous compensation: It may include employee assistance programs (like psychological counseling, legal assistance etc), discounts on company products, use of a company cars, etc.

Work Relationships

Work relationships that affect employee retention include supervisory management support and coworker relations, A supervisor or manager builds positive relationships and aids retention by being fair and nondiscriminatory, allowing work flexibility and work-family balancing, giving feedback that recognizes employee efforts and performance, and supporting career planning and development. Additionally, many individuals build close relationships with coworkers. Such work-related friendships do not appear on employee records, but these relationships can be an important signal that a workplace is positive. Overall, what this means is that it is not just where people work, but also with whom they work, that affects employee retention. If individuals are not linked with or do not relate will to their coworkers, there is greater likelihood for turnover to occur.

Job and Work-Life

Many individuals have seen a decline in job security during the past decade. All the downsizings, layoffs, mergers and acquisitions, and organizational restructurings

have affected employee loyalty and retention. Employees start thinking about leaving before they too get cut. Organizations in which job continuity and security are high tend to have higher retention rates. Job design factors that can impact retention include the following:

- A knowledge, skills, and abilities mismatch, either through over qualification or under qualification, can lead to turnover.
- Job accomplishments and workload demands that are dissatisfying or stressful may impact performance and lead to turnover.
- Both timing of work schedules and geographic locations may contribute to burnout of some individuals but not others.
- The ability of employees to balance work and life requirements affects their job performance and retention.

Work-life balance:

Irrespective of their industry, it is important for working professionals to maintain a work-life balance. While high-paying jobs do demand longer hours of work, organizations should implement flexible working hours and work from home policies while respecting their core office culture. Practices like occasional work from home, flexible work arrangements, 'ME' time (keeping a chunk of their time to pursue a hobby of their choice) are ways to help employees maintain a healthy work-life balance.

Organization Environment

It is not about managing retention. It is about managing people. If an organization manages people well, employee retention will take care of itself. Organizations should focus on managing the work environment to make better use of the available human assets. Organization environment includes: Culture, Values, Company reputation, Quality of people in the organization, Employee development and career growth, Risk taking, Leading technologies & Trust.

Recognition and feedback:

Typically, bosses are quick on giving feedback when issues crop up. However, appreciation is rare when things go smooth. Letting your employees know that you appreciate their efforts, recognizing and highlighting impactful outcomes and giving timely feedback is crucial. Similarly, gaining feedback from employees and engaging oneself in meaningful dialogues to improve areas that are creating obstacles is important.

Transparent and fair reviews:

Enabling transparent and clear reviews and appraisals for employees helps them achieve more with a clear picture of being rewarded on the basis of merit. The review process should celebrate key milestones in an employee's career in an organization where the focus is on highlighting key achievements, strengths and development areas, followed by a mutually agreed upon goal setting discussion.

Challenges in Employee Retention

- Monetary dissatisfaction is one of the major reasons for an employee to look for a change. Every organization has a salary budget for every employee who can be raised to some extent but not beyond a certain limit. Retention becomes a problem when an employee quotes an exceptionally high figure beyond the budget of the organization and is just not willing to compromise. The salaries of the individuals working at the same level should be more or less similar to avoid major disputes amongst employees.
- In the current scenario, where there is no dearth of opportunities, stopping people to look for a change is a big challenge. Every organization tries its level best to hire employees from the competitors and thus provide lucrative opportunities to attract them. Employees become greedy for money and position and thus look forward to changing the present job and join the competitors. No amount of counseling helps in such cases and retaining employees becomes a nightmare.
- Individuals speak all kind of lies during interviews to get a job. They might not be proficient in branding but would simply say a yes to impress the recruiter and grab the job. It is only later do people realize that there has been a mismatch and thus look for a change. Problems arise whenever a right person is into a wrong profile. An individual loses interest in work whenever he does something out of compulsion. The human resource department should be very careful while recruiting new employees. It is really important to get the reference check done for better reliability and avoid confusions later.
- Some individuals have a tendency to get bored in a short span of time. They might find a job really interesting in the beginning but soon find it monotonous and look for a change. The management finds it difficult to convince the employees in such cases.
- Unrealistic expectations from the job also lead to employees looking for a change. There is actually no solution to unrealistic expectations. An individual must be mature enough to understand that one can't get all the comforts at the workplace just like his home. Individuals from different backgrounds come

together in an organization and minor misunderstandings might arise but one should not make an issue out of it.

An individual must not look for a change due to small issues. One needs time to make his presence feel at the organization and must try his level best to stick to it for a good amount of time and ignore petty issues.

CONCLUSION

Retaining the employees especially your best ones require more than Goodies and Gimmicks. It requires understanding their needs which can drive satisfaction and high performance in them, and then use his knowledge to create an intrinsically motivating work experience, by doing this organization can become what we say in true words, Retention worthy. The HR professionals in BPOs are needed to be flexible in their approach of developing, motivating and retaining their talent pool. ERM (Employee Relationship Management) in BPO should be based on employee feedback received through employee surveys. A BPO should implement the right mix of three Rs that will create a hard-to-leave workplace. The BPO management should skillfully communicate BPO policies to their employee.

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IMPACT OF GLOBALISATION ON INDIAN ECONOMY

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ABSTRACT

Globalization in India has allowed companies to increase their base of operations, expand their workforce with minimal investments, and provide new services to a broad range of consumers. The process of globalization has been an integral part of the recent economic progress made by India. Globalization has played a major role in export-led growth, leading to the enlargement of the job market in India. One of the major forces of globalization in India has been in the growth of outsourced IT and business process outsourcing (BPO) services. The last few years have seen an increase in the number of skilled professionals in India employed by both local and foreign companies to service customers in the US and Europe in particular. Taking advantage of India's lower cost but educated and English-speaking work force, and utilizing global communications technologies such as voice-over IP (VOIP), email and the internet, international enterprises have been able to lower their cost base by establishing outsourced knowledge-worker operations in India

Keywords: Globalization, India, economy

SUMMARY

Before the coining of term globalization their was the trade system in India were the traders came to India to implement their business but it only subjected to a consent company where they want to trade certain items for example the coca cola company when entered in India, they started to trade the cool drinks which was accepted by many people in India because we don't have such products made in India by our citizens and there was no comp among the countries and even they started the welfare programs like sending the polio vaccines in the packing of coco cola companies . This showed good sign of result in India but when we got our independence we started to attract the people all over the world to establish their companies for employment and establishment of companies in India but again it was subjected to only consider companies. For example when we look in to history of America they accepted the system of globalization as a result their dollar value increased and stands at number one position in the world. When coming to 19th centaury due to LPG system we are spreading towards trade to globalization, LPG system is abbreviated as liberalization, privatization, and globalization.

The way in which the world economy is integrated in the modern world is globalization. Take example of Microsoft. Microsoft is having its headquarters in USA. This company is getting part of its software developed in India and several other countries. And Microsoft's software is being used across the world. Another example can be Ford motors based in USA. Ford is having manufacturing plants in Chennai and cars manufactured in Chennai go for sale in other countries. Moreover, company may be getting gear boxes produced in some other country, seat belts from a different country, lights, and rear view mirrors in some other nation by some other company. Almost all the components get supplied by various vendors to the Ford motor, which assembles them to make the car.

Globalization in India

In early 1990s the Indian economy had witnessed dramatic policy changes. The idea behind the new economic model known as Liberalization, Privatization and Globalization in India (LPG), was to make the Indian economy one of the fastest growing economies in the world. An array of reforms was initiated with regard to industrial, trade and social sector to make the economy more competitive. The economic changes initiated have had a dramatic effect on the overall growth of the economy. It also heralded the integration of the Indian economy into the global economy. The Indian economy was in major crisis in 1991 when foreign currency reserves went down to \$1 billion and inflation was as high as 17%. Fiscal deficit was also high and NRI's were not interested in investing in India. Then the following measures were taken to liberalize and globalize the economy.

Advantages of Globalization

Where there is a light there is a shadow behind even in any aspect we have it effects and defects too.

1. Creating the job opportunity.
2. Introducing the new knowledge or skill.
3. Providing a quality.
4. Providing good salary.
5. Healthy competition for certain country.

Disadvantages of Globalization

1. When company is in loss situation they withdraw their production and leave people unemployed this leads to lack of job security.
2. Heavy production leads to heavy environment pollution.

3. It also affects the Indian campiness who manufactures same products

So we cannot say that globalization is positive or negative it only should be balanced level.

Need of Cost Cutting

Done in the home country but cost involved will be higher. Next option is to get it done in a different country at a lesser cost. Obviously any company will prefer the second option. Labour cost and cost of certain raw materials are cheaper in India, Malaysia, China and Taiwan. This results in reduced cost of production, which will result in better profit for the company. So you get a computer with certain parts manufactured in Taiwan or Malaysia, processor manufactured in India and software supplied from USA. The final product may get assembled in the market where it will be ultimately used.

RESULTS OF GLOBALISATION

Better Employment Opportunities

At present India is the leader in BPO sector. BPOs provide back office support to many MNCs. A customer calling in USA to sort out his problem may be talking to a call center employee in Gurgaon. Because of growing economic activities many new centers of economic activity have developed in India. These are Gurgaon, Chandigarh, Bangalore, Hyderabad and Meerut. Earlier Mumbai, Chennai, Kolkata and Delhi used to be major economic centers.

Change in Lifestyle

Eating habits have changed dramatically. Now you may be eating Kellogg's corn flakes for breakfast and Aloo Tikki Burger for lunch. You may be wearing a Levi's jeans and if you are having a BPO employee as neighbor then you may have listened his accented English.

Uneven Benefits of Development

For every MNC executive there is a larger number of rickshaw puller and daily wage earner. There are still millions who are unable to get two square meals in a day. We still hear news of farmers committing suicide in Maharashtra and Karnataka.

Unfair Means Adopted by Developed Countries

Developed countries still give huge subsidies to their farmers and impose heavy trade barriers. In the bargain developed nations don't get the desired benefit out of WTO negotiations.

Agriculture

India is an agrarian economy as agriculture is the primary source of living for over 55% of the population. In addition to this, agriculture also provides wage goods and raw materials for various non-agriculture sectors and industry. It is blessed with natural endowments of 23 agro-climatic zones and huge diversification of crops.

Globalization

Has touched every aspect of agriculture like technological advancement, improved production techniques and quality based enhancement. All three sectors of agriculture viz. farming, marketing and industrial support have made tremendous progress. In farming Globalization has introduced complete mechanization of the farms. Many new techniques are being used for seed development and production. Introduction of organic and hybrid varieties of seeds has revitalized the entire sector. Furthermore, new irrigation methods and techniques have also been used. In marketing of the produce, globalization has helped farmers fetch new markets. This has given a boost to the agricultural exports. Introduction of big retailers from abroad to India has also come in favour of the farmers who work hard to feed the nation. They offer them good procurement price and a continuous market for the produce. Also, e-commerce has helped in the post production activities like selling. Industrial development also is a direct by-product of globalization as it has led to highly sophisticated farm machinery, fertilizer etc. Also, there is a growth in food processing industry due to increased consumerism. On the other hand, there are issues like GM crops, competition in pricing, WTO compliance issues which limits the support the governments can extend to farmers etc. Relaxation of import duties has also harmed the Indian farmer.

Steps Taken to Globalize Indian Economy: Some of the steps taken to liberalize and globalize our economy were:

Devaluation: To solve the balance of payment problem Indian currency were devaluated by 18 to 19%.

Disinvestment: To make the LPG model smooth many of the public sectors were sold to the private sector.

Allowing Foreign Direct Investment (FDI): FDI was allowed in a wide range of sectors such as Insurance (26%), defense industries (26%) etc.

NRI Scheme: The facilities which were available to foreign investors were also given to NRI's.

India should improve its economy by investing in other countries. We mostly there is an unbalanced economy system in India. And should control the climate change with huge employment to youth because of heavily populated country.

Merits and Demerits of Globalization:

There is an International market for companies and for consumers there is a wider range of products to choose from. Increase in flow of investments from developed countries to developing countries, which can be used for economic reconstruction. Greater and faster flow of information between countries and greater cultural interaction has helped to overcome cultural barriers. Technological development has resulted in reverse brain drain in developing countries.

CONCLUSION

Globalization is a reality which is here to stay. Globalization has given more benefits than problems. The economists and policy makers of the world need to fine tune their strategy so that benefits of globalization can reach the masses. The ultimate success of globalization can only be realized when it helps achieve all the parameters of development. These parameters or goals of development are not only about monetary income, but also about better healthcare, education, security and overall quality of life for all. India gained highly from the LPG model as its GDP increased to 9.7% in 2007-2008. In respect of market capitalization, India ranks fourth in the world. But even after globalization, condition of agriculture has not improved. The share of agriculture in the GDP is only 17%. The number of landless families has increased and farmers are still committing suicide. But seeing the positive effects of globalization, it can be said that very soon India will overcome these hurdles too and march strongly on its path of development.

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INDIAN RETAIL SECTOR UNDER FDI REGIME - A STUDY

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INTRODUCTION

Foreign direct investment (FDI) is a direct investment into production or business in a country by an individual or company of another country, either by buying a company in the target country or by expanding operations of an existing business in that country. Foreign direct investment is in contrast to portfolio investment which is a passive investment in the securities of another country such as stocks and bonds. Foreign direct investments differ substantially from indirect investments such as portfolio flows, wherein overseas institutions invest in equities listed on a nation's stock exchange. Entities making direct investments typically have a significant degree of influence and control over the company into which the investment is made. Open economies with skilled workforces and good growth prospects tend to attract larger amounts of foreign direct investment than closed, highly regulated economies. FDI stands for Foreign Direct Investment, a component of a country's national financial accounts.

Retailing in India

It is one of the pillars of its economy and accounts for 14 to 15 percent of its GDP. The Indian retail market is estimated to be US\$ 450 billion and one of the top five retail markets in the world by economic value. India is one of the fastest growing retail markets in the world, with 1.2 billion people. As of 2013, India's retailing industry was essentially owner manned small shops. In 2010, larger format convenience stores and supermarkets accounted for about 4 percent of the industry, and these were present only in large urban centers. India's retail and logistics industry employs about 40 million Indians (3.3% of Indian population). Until 2011, Indian central government denied foreign direct investment (FDI) in multi-brand retail, forbidding foreign groups from any ownership in supermarket, convenience stores or any retail outlets. Even single-brand retail was limited to 51% ownership and a bureaucratic process. In 2004, The High Court of Delhi defined the term 'retail' as a sale for final consumption in contrast to a sale for further sale or processing (i.e. wholesale). A sale to the ultimate consumer.

Thus, retailing can be said to be the interface between the producer and the individual consumer buying for personal consumption. This excludes direct interface between the manufacturer and institutional buyers such as the government and other bulk customers. Retailing is the last link that connects the individual consumer with the manufacturing and distribution chain. A retailer is involved in the act of selling goods to the individual consumer at a margin of profit.

Meaning of FDI

Direct investment reflects the aim of obtaining a lasting interest by a resident entity of one economy (direct investor) in an enterprise that is resident in another economy (the direct investment enterprise). The “lasting interest” implies the existence of a long-term relationship between the direct investor and the direct investment enterprise and a significant degree of influence on the management of the latter. Direct investment involves both the initial transaction establishing the relationship between the investor and the enterprise and all subsequent capital transactions between them and among affiliated enterprises both incorporated and unincorporated. It should be noted that capital transactions which do not give rise to any settlement, e.g. an interchange of shares.

Foreign direct investment (FDI) plays an extraordinary and growing role in global business. It can provide a firm with new markets and marketing channels, cheaper production facilities, access to new technology, products, skills and financing. For a host country or the foreign firm which receives the investment, it can provide a source of new technologies, capital, processes, products, organizational technologies and management skills, and as such can provide a strong impetus to economic development. Foreign direct investment, in its classic definition, is defined as a company from one country making a physical investment into building a factory in another country. The direct investment in buildings, machinery and equipment is in contrast with making a portfolio investment, which is considered an indirect investment. In recent years, given rapid growth and change in global investment patterns, the definition has been broadened to include the acquisition of a lasting management interest in a company or enterprise outside the investing firm's home country.

NEED FOR THE STUDY

FDI in retail has its own pros and cons. On the positive side, there are obvious reasons. FDI or Foreign Direct Investment will increase investments in our home country leading to boom in the market. Income of people will increase leading to increase in purchasing power. On the whole, there will be economic growth of a country. Looking at the current scenario of globalization, a country cannot be restricted to its domestic

produce only. On the other hand, increase in FDI will drive out local competitors and retailers from the market. Domestic market will decline leading to a bit of slowdown in economy. Supporters of FDI in retail trade talk of how ultimately the consumer is benefited by both price reductions by both price reductions and improved selection, brought about by the technology and know-how of foreign players in the market. This in turn can lead to greater output and domestic consumption but the most important factor against FDI driven “modern retailing” is that it is labour displacing to the extent that it can only expand by destroying the traditional retail sector.

REVIEW OF LITERATURE

1. McKinsey Report (2012) States that the retail productivity in India is very less compared to other international counterparts
2. Moghe (2012) critically analyzed the decision of Indian government to open retail sector for FDI in single-brand and multi brand category and it is likely to have impact on various components of Indian economy. In addition it was suggested to have a strong enforcement mechanism to insure that big retailers do not dislocate small retailers by unfair means and to build a coexistence of both the arms.
3. S.P. Thenmozhi Raja, D. Dhanapal & P. Sathyapriya(2011) explained that the most critical challenge for a business is the improvement of service and product quality. They also explained that perception of retail service quality varies across different cities, the retailers can meet the customer expectations based on the factors drive them.
4. Sharif Menon(2011) explained that brand identities were designed to reassure a public anxious about the whole concept of factory produced goods. Brands have transformed the process of marketing into one of perception building, so, image is now everything. Customers make buying decisions based around the perception of the brand, rather than the reality of the product. Perception is a fragile thing. India is lucky to have international brands, but the Indian consumer is very choosy in selecting the brands and especially in the consumable sector. The research brings out that importance of taste is one the important factor for the success of a brand.
5. Sandhya Joshi(2011) explained that the surest path to a strong business bottom line is assuring that customers receive the highest appropriate quality of service across multiple applications and delivery mechanisms. Customers make their purchasing and defection decisions on the basis of the perceived value of the service package being offered, rather than simply their current levels of satisfaction.

6. Fulbag Singh and Davinder Kaur(2011), explained that customer perception of service quality is concerned with the judgment and attitude of the customer towards quality of the service after availing the same and in turn this perception decides whether the service has provided more than what he expected then he will be satisfied and if he perceives it to be less than his expectation then he will be dissatisfied. Therefore, customer satisfaction is the summation of customer's all expressions of service quality and depends upon his own perception and expectations.
7. Fulbag Singh and Davinder Kaur(2011), explained that an organization cannot survive in the long run if its customers are not satisfied. Customer satisfaction is the summation of customer's all expressions of service quality and depends upon his own perception and expectations.
8. Komal Chopra (2011) pointed following prominent Indian retailers: Future Group: Future group started its operations in 1993 with Pantaloon Retail as the flagship enterprise.
9. Chandan A. Chavadi and Shilpa S. Koktanur(2010), tried to find out the various factors driving customers towards shopping malls and consumer buying response for promotional tools. They found four major factors that drive the customers towards the shopping malls. Those factors are product mix, ambience, services and promotional strategies. Customers consider fast billing, parking facility and long hours of operations as
10. prime services. Mittal and Anupama Parashar(2010) explained that irrespective of area, people prefer grocery stores to be nearby, product assortment is important for grocery. Ambience of the grocery stores has been perceived differently by people of different areas and prices are equally important for all grocery. Perception and preference towards importance of service was also different across different areas.
11. Sandip Ghosh Hazra and Kailash B.L. Srivastava(2010), found that firms are using service enhancement and are developing a range of techniques to measure service quality improvement. The competition between private and public sector has resulted in an increased need for service providers to identify the gaps in the market in order to improve service provisions to retain customers. Satisfactory service quality is an indispensable competitive strategy. They concluded that customer value for four dimensions of perceived service quality i.e. assurance-empathy, tangibles, security and reliability.
12. Goswami P. and Mishra M.S. (2009), conducted a study that was carried across four Indian cities- two major metros (Kolkata and Mumbai), and two smaller

cities (Jamshedpur and Nagpur) with around 100 respondents from each city. The results suggest Kiranas would do best to try and upgrade in order to survive. Given that modern trade outlets have deeper pockets and can afford to make mistakes and get away with it in the short term, Kiranas have to stay alert, try to upgrade and continue to serve customers well, while concentrating on innovating, evolving and remaining efficient on retailer productivity scores.

13. V.Ramanathan (2009) in the article mentioned that the entry of organized retailers with their completely integrated marketing practices, franchising agreements, contractual selling, joint ventures and co- promotions creates a profound threat to unorganized retailers and compels them to change their style of doing business from convenience to intensive. The article reveals that unorganized retailers dealing in clothing and footwear, furniture and appliances, and beverages were among the most affected. Further the author suggests that the traditional retailers enjoyed the advantages of proximity to the customers in neighbourhood areas, long standing personal relationship with customers and providing home delivery and credit facility.
14. Prasad & Ansari (2009) stated that web store environment and customer service have significant impact on the willingness to buy from online retail stores. They have also identified that customer service and online shopping enjoyment have significant impact on the willingness to buy from online retail stores than the perceived trust.
15. Vaishali Aggarwal (2008) concluded that among the factors important for customer satisfaction, 'quality', 'convenient location' and 'availability' got the highest rating in term of their importance to the customer on a 5-point scale. Customers were not very price sensitive and they did not pay more attention to the display and ambience of the store.

Research Gap

In my study "Foreign direct investment in Indian retail sector" I fill the gap how to inflow the funds India in various sectors, single brand and multi-brand retail. so this is my research gap. Telangana state has newly formed and it's has 4 crore population. On this topic not adequately studies on Telangana state.

Objectives

1. To analyse the trends in FDI in Indian retail sector
2. To study the FDI policy with regard to Indian Retailing sector
3. To examine the impact of FDI on Indian Retail sector(With opinion survey)

Hypothesis of the study

1. There is impact on foreign direct investment in Indian retail sector.
2. There is no impact on foreign direct investment in Indian retail sector.
3. There is a impact on foreign direct investment in Indian retail sector who can suffer from profit and loss due to FDI in retailing.
4. There is no a impact on foreign direct investment in Indian retail sector who can suffer from profit and loss due to FDI in retailing.

RESEARCH METHODOLOGY

Source of Data

Primary Data: Primary data is collected through Questionnaire.

- a) Profile respondents
- b) Impact of FDI on Single-brand retailing.
- c) Impact of FDI on Multi-brand retailing.

Secondary Data

Secondary data will be collected from various sources i.e

Indian retail reports, Professional Journals, newspapers, journals, Business magazines, thesis and Books.

Statistical Tools

In this study I will use Mean, Mode, Grand mean, Standard deviation, Correlation, Coefficient of variation, Anova, and chi-square test.

CONCLUSION

Retailing in India provides self-employment to millions of individuals and families who self-operate their stores. No regulations have made the Indian retail sector a largely oversupplied sector and no real competition has also made this sector unproductive. As a result, more than 90% of the total market sales are generated by the unorganized retailers. Indian government has traditionally protected and favored the unorganized retailers and did not allow FDI in retail till 2006. But many foreign brands entered India using different routes. History has witnessed that the concern of allowing unrestrained FDI flows in the retail sector has never been free from controversies and simultaneously has been an issue for unsuccessful deliberation ever since the advent of FDI in India. Many foreign retailers are operating in India through the Franchise mode and presently target high income class customers and are virtually present in every shopping mall. Now with 100% FDI in single brand retail

being allowed, foreign retailers are planning to open 100% controlled retail stores across India.

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